

The NATIONAL UNDERWRITER

Life Insurance Edition

Good Citizenship in Action--



THESE are headlines of a few of Northwestern National Life's advertisements which have appeared in various publications during the past few years. Each of these advertisements expresses an idea—a point of view—on a subject of timely importance to life insurance policyholders and the nation as a whole. Giving currency

to such ideas through advertising is just one way in which NWNL discharges its obligation as a good citizen—an obligation this Company believes rests on a business institution no less than on an individual.

We will gladly furnish reprints of any of these advertisements on request.

NORTHWESTERN *National* LIFE
INSURANCE COMPANY

O. J. ARNOLD, PRESIDENT



MINNEAPOLIS · MINNESOTA

FRIDAY, JULY 19, 1946

A DYNAMIC MESSAGE

by

WILLIAM MONTGOMERY

President, ACACIA MUTUAL LIFE INSURANCE COMPANY



Mr. Montgomery's annual reports to the policyholders of the Acacia Mutual deal fearlessly and forcefully with the fundamentals of the life insurance business, in which he has been a leading figure for so many years. This message, in particular, covers twenty years of outstandingly successful experience with certain principles which he pioneered. Here are just a few of the highlights of that message which cover two of the most important decades in the economic history of our nation—twenty years that have eminently proved the soundness of Mr. Montgomery's ideas.

"The directors of mutual life insurance companies are trustees and it is their duty to promote the welfare and prosperity of the policyholders in every way possible so far as their life insurance is concerned. Their first obligation is to do everything in their power to furnish life insurance protection at the lowest possible cost consistent with safety. Appreciating this, and after giving careful consideration to all of the factors involved in the sale of life insurance—safety, stability, cost, efficient and economical management, etc., Acacia in 1926 reached the conclusion that mutual life insurance should be sold under a new and different plan."

"Accordingly, early in 1926, Acacia adopted a new schedule of low mutual premium rates comparable to those charged by the stock companies and on April 1, 1926, a letter was sent to all of our policyholders explanatory of the same. In that letter we stated:
"Your Directors do not feel that they can in good conscience continue to ask the policyholders to pay a larger sum of money than is necessary to safely conduct the business. . . . in other words, we propose to allow the policyholders to keep the difference in premiums in their pockets, using it to buy additional insurance or for any other purpose they may desire."

77TH ANNUAL REPORT



"Had the other mutual companies gone along with us, their policyholders would have been saved an enormous sum of money. According to the best information we have, there were approximately 110 billion dollars of ordinary life insurance in the past twenty years. There was an average difference of about \$5.00 per \$1,000 in the premium rates of Acacia and the stock companies on the one hand as compared with the other. This means that the policyholders of these companies have paid in first year premiums alone during the twenty-year period approximately 550 million dollars more than experience has proved was necessary. This amount of money which, as has been shown, was not needed for safety, security, or otherwise, could have been used by the policyholders to purchase additional protection for their beneficiaries or for any other purpose desired. For reasons unknown to us it may be that the other mutual companies found it necessary to charge these high premiums but the questions naturally suggest themselves, 'How have the policyholders benefitted thereby?'—'What have they received in return for the additional premiums paid?'"

"The other mutual companies did not go along with us then, nor have they since, obviously feeling that it couldn't be done and that they should stick to their old methods and plans. Thus today there are in effect three plans of life insurance selling:

1. The low premium plan of the stock companies with the profits of the business going to the stockholders,
2. The high premium plan of the other mutual companies with their estimated dividends and the disbursements attendant thereon,
3. The low premium mutual plan of Acacia with premiums comparable to those of the stock companies and with the profits of the business going to the policyholders in the form of real dividends.

The reasons we advanced 20 years ago for the universal adoption by mutual companies of this new low premium plan are even more sound today than they were then. Time and experience have proved we were right."

Everyone interested in the life insurance business will want to read this stirring message in its entirety. Write to the Acacia Mutual Life Insurance Company, Washington 1, D. C., for a copy.

N.A.L.U. Goes Over Top in 1945 Membership Goal

**Gain for Fiscal Year
Is 8,213; N. Y. City
in First Place**

All membership records of the National Assn. of Life Underwriters were broken when the organization closed its 1945-46 fiscal year with a total paid membership of 45,241, a net gain of 8,213 over the previous year.

Forty-six states and District of Columbia bettered their 1945 records, while 326 local associations showed increases and 20 others were even at the close of the fiscal year.

Twenty-seven new associations were created during the year, raising the total number of units to 450, another all-time high.

Membership gains since 1943 are indicative of the progress of N.A.L.U. On June 30, 1943, there were 29,274 members and 370 associations. This number was increased to 32,413 in 389 associations in 1944, and 37,028 members in 422 associations last year, representing a three year increase of nearly 16,000 members and 80 associations.

The 10 leading states in membership are: New York (4,313), Pennsylvania (4,261), Illinois (3,313), Ohio (2,805), California (2,657), Texas (2,496), Indiana (1,746), Massachusetts (1,507), Michigan (1,380), and Georgia (1,229).

The 10 largest local associations are: New York (2,161), Chicago (2,085), Pittsburgh (1,143), Los Angeles (941), Boston (928), Philadelphia (809), Cleveland (785), Indianapolis (785), Detroit (594), and Atlanta (508).

In point of number of local units within each state, the top 12 states are: Pennsylvania (33), Texas (25), Illinois (24), New York (22), Ohio (22), Indiana (20), North Carolina (18), Michigan (16), Virginia (15), California (14), Florida (14), and Iowa (14).

President C. D. Connell praised the work of national, state and local membership committees, under the national chairmanship of William S. Leighton, New York Life, Minneapolis.

Make War on International Insurance Curbs

WASHINGTON — Woodbury Willoughby, assistant chief of the State Department division of commercial policy, has been designated to handle insurance matters in connection with foreign relations.

Mr. Willoughby, Assistant Secretary Will Clayton and other State Department officials have recently been conferring with A. L. Kirkpatrick, manager U. S. Chamber of Commerce insurance department, regarding the Argentine government's proposal to establish a reinsurance institute and require reinsurance in Argentina.

It is understood that U. S. Ambassador Messersmith, at Buenos Aires, has discussed the matter with Argentine officials, and the chamber's position is known down there.

Big Opportunity Seen for Agents Selling Group

In spite of the tremendous amount of group insurance and annuities in force this type of business is far from having reached the saturation point and presents an expanding field of opportunity for the enterprising agent or broker who is willing to add these coverages to his sales kit, according to group experts.

It is not necessary to be a master of the intricacies of group coverages to earn the sizable commissions that result from these cases. The agent or broker's role is mainly to locate prospects and set the stage for an interview with a representative of a group-writing company. Group people say it takes very little modification of the producer's ordinary business-getting technique to line up prospective group purchasers.

Those who do not handle the various group lines frequently fail to realize how the attitude of employers has changed in the last few years, say authorities in this field. Though originated some years earlier, group insurance really got its start during the first world war, when the employers turned to it as a means of cutting employee turnover. From then on it continued to grow but mainly among the minority of employers who bought it either from humanitarian motives or because they had the wisdom to realize it was good business sense in the long run.

That was the situation up to about 1936, when the new deal's pro-labor legislation and policies began to make themselves felt. Not only did these strengthen labor's hand but gradually more employers began to feel that the employees should have a bigger share of the profits and that group insurance was a good way of providing the security that everybody was talking about.

Favored by Organized Labor

Organized labor has always been favorable to group coverages and there is an increasing disposition to insist on group coverage being made a part of collective bargaining contracts. In a small minority of cases the unions have preferred to have the group coverage written with the union as the group rather than in the usual way, but in general the union preference is to let the employer handle the coverage. The union gets just as much credit with its members in that way and there are fewer headaches for the union.

The group business has constantly been adapting itself to new developments, bringing out additional coverages to supplement the original group life. Group annuities have been available for many years. Since then there have been added death and dismemberment, accident and sickness, hospitalization, surgical benefits, medical expense benefits, and hospitalization for dependents.

Minimum Size Reduced

Most group-writing companies have also expanded their field operations by reducing the minimum number of participants for life and other insurance coverages from 50 to 25 in those states which permit it. These states are Alabama, Arizona, Arkansas, California, Connecticut, Delaware, District of Columbia, Florida, Georgia, Indiana, Kansas, Kentucky, Louisiana, Maryland, Michigan, Mississippi, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, and Wyoming. Most of the provinces of Canada also permit group insurance on as few as 25 lives.

This reduction in the minimum number for group coverage has brought

thousands of smaller business concerns into the field of group prospects. Even where the number of employees is less than the minimum permitted by state law or company underwriting rules there are so-called "miniature" forms available, which permit groups as small as 10. Some companies will even write groups as small as 10 for life only, where state laws permit. The main difference in a miniature plan is that the premium is slightly higher and the company has the right to reject seriously impaired lives. There is no examination unless information revealed as a result of the questionnaire indicates some impairment. In that case the company either asks for an examination or may reject the employee without an examination.

Usual group insurance commissions are 20% of the first \$5,000 of premium, graduated downward as the premium rises. Renewals are 5% graded, running for nine years. Group annuities are 7% graded on first year business and 1% graded on renewals.

Effect of OPA Removal

The horizon for the writing of group accident and health is brighter than it has been at any time since the end of the war, both because the end of OPA has given business men hope of making profits to defray the expense of the cover and because we are in a period of comparative labor peace.

Agents have had numerous prospects say they would take on group cover if OPA ceilings were lifted to enable them to make a profit adequate to cover contributions. It appears that agents now have the answer and it is expected that a number of these "on the fence" employers will be swung over within the next few weeks.

There has been reflection in the mild upsurge in group A. & H. business of many companies during the past 30 days of the increased inclination of employers to regard relations with employees as stabilized since settling of the major strikes. During the strike period, employers were loathe to put A. & H. policies into effect or to do anything else which would benefit their employees until they knew whether or not these employees were preparing radical demands. The present cooling off period has eased tempers on both sides and is regarded by some as a sign of stabilization of labor relations and an indication that the reconversion is under way.

Health and Welfare Funds

Settlement of the coal strike helped establish health and welfare funds as a standard feature of employment and in anticipation of demands from both union and non-union employees for similar benefits, some employers are installing group A. & H. plans. Unions have been conferring with A. & H. carriers about insuring plans which the unions will administer on a local or a national scale. At least one case has arisen in which a union was administering a health and welfare plan and ran into such detail that it was decided to let the employer administer the insurance.

Without attempting to discount the tremendous volume which Blue Cross has built up in industry, there seems to be a general opinion among the group people that commercial companies are more than holding their own at the present time. One of the reasons for this is held to be that commercial contracts offers more options and extras to persons hospitalized. Then, too, it is claimed that an increasing number of employers are alarmed at the threat of

Dizzy Sales Pace Keeps Up; June Gain 53%

**Six Month Sales
47% Ahead—
Ordinary 59% Plus**

NEW YORK — Life insurance purchased in the United States in June showed an increase of 53% over purchases in the corresponding month of last year, according to L.I.A.M.A. Total purchases in June were \$1,863,485,000 compared with \$1,216,264,000 in June of last year.

Ordinary life sales in June were \$1,340,743,000, up 63% over June a year ago.

Industrial amounted to \$338,999,000, an increase of 31%.

Group was \$183,743,000, an increase of 35% over June a year ago.

In the first six months, total life insurance sales were \$10,475,563,000, an increase of 47% over the first six months of 1945.

Ordinary accounted for \$7,759,824,000, an increase of 59%.

Industrial represented \$1,996,104,000, an increase of 23%, while group amounted to \$719,635,000, an increase of 16%.

Insurance Not to Make Health Bill Presentation

WASHINGTON—It is understood to have been decided against the insurance industry making any presentation to Congress at this session on the administration's national health insurance bill. That measure is believed to be dead, for the current session and for this 79th Congress, which expires early in January, except for the possibility of a session next fall.

After the 80th Congress comes in next January, the health bill is expected to be revived and reintroduced. In that event more hearings will be held, when there will be opportunity for various branches of the insurance industry concerned to present their opposition, if desired.

cooperative, non-profit enterprises in their own fields and far prefer to take out group A. & H. with a commercial insurer than to go in with Blue Cross.

There has been a change in the valuation of the addition of medical care to the group contract among many who several months ago regarded it as a prime business getter. It has been discovered that insured need coverage for the catastrophes of their lives much more than for isolated cases of medical care at comparatively small amounts. They can handle these smaller exigencies, without insurance, therefore, do not appreciate the medical care feature.

Claims on group A. & H. are still running just about as high as they were during the war. Claims men say that it takes at least a year for the improved selection in risks which followed the war and the sloughing off of marginal employees, to be felt.

There are none who expect group A. & H. to catch up this year with the terrific volume lost at the end of the war, but general predictions are that the last half of 1946 will be far better than the first half.

Union Resistance to Age 65 Terminus Is Pension Problem

Opposition by some of the C.I.O. unions to compulsory retirement at age 65 under pension plans has caused some concern about future of these plans, on the ground that inability to retire superannuated employees will largely nullify the improved efficiency that is one of the objectives of a pension system.

Tending to allay these fears, however, is the fact that the railroads have for years been barred from retiring personnel merely because of reaching a certain age, though retirement can be made compulsory if there is evidence of mental or physical disability.

The C.I.O.'s fight against compulsory retirement at a specified age cropped up most recently in the Inland Steel Co., where United Steelworkers of America has filed charges with national labor relations board that the company is violating the Wagner act by refusing to negotiate on lay-offs under its pension plan.

Argument of Unions

The same situation has come up in the automobile and rubber industries but union grievance machinery is being used to try to reach a solution. The unions contend that retirement for age violates the seniority clauses of union contracts. One possibility that has been mentioned is a union drive for pensions that would continue the worker's full pay after his retirement at age 65.

Basing their view on the operation of the railroads' retirement systems, some pension experts feel that the C.I.O. demands, even if widely and successfully promoted, need not interfere with existing pension plans or the establishment of new ones.

Experience under plans operated by the railroads is that 10% to 15% of those reaching age 64 retire voluntarily while perhaps another 30% retires on reaching age 65. From there the rate drops sharply and not many are left in service by the time they reach age 70.

Problem of Superannuated

If compulsory retirement is not permitted employers will, of course, have lower pension costs or can give greater benefits for the same outlay. One possibility is that they may offer more generous incomes to induce the superannuated to retire, not only at age 65 but at lower ages, perhaps giving them substantially more than the actuarial equivalent of the age 65 retirement pay. This, combined with selling arguments addressed to those who might be impairing their health by continuing to work, may be the only solution for the employer whose payroll is top-heavy with over-age employees.

New Service Firm Is Formed in Portland, Ore.

PORTLAND, ORE.—Palmer & Potwin, a new firm specializing in life insurance service, has been organized by Omar C. Palmer and Arthur S. Potwin, both men of long experience in life insurance. They will specialize on insurance programming for individuals as well as tax and estate studies and analyze business insurance problems for business firms.

Mr. Palmer was Oregon manager for Canada Life 1934-1944. He has been in life insurance in Portland for 16 years. Mr. Potwin was graduated from the Northwest College of Law and was admitted to the Oregon bar in 1936. After two years' practice in Oregon he went to Hartford to become attorney of Connecticut Mutual Life at the home office, where for six years he specialized in business insurance, pension trusts and tax and estate studies. He will continue to represent Connecticut Mutual as consultant for its seven Pacific Coast agencies.

Results for First Six Months Shown

	New Bus. 1946	New Bus. 1945	1946 Inc. in Force	1945 Inc. in Force
Baltimore Life	6,782,352†	4,266,534†	5,215,993†	3,113,388†
Bankers Life, Iowa	68,616,838	62,451,457	51,856,696	43,229,785
Bankers Life, Nebraska	18,922,638	10,321,009	14,677,281	6,840,903
Beneficial Life	18,042,729	11,404,807	13,792,295	8,091,601
Berkshire Life	19,550,772	15,414,509	13,591,211	11,050,573
Church Life	812,650	569,990	252,523	146,145
Central Life of Ill.	5,889,165†	3,863,730†	2,025,740†	1,490,204†
Central Life, Iowa	11,711,914	8,397,168	8,491,175	5,497,676
Columbian Mutual Life	1,829,007	1,485,893	745,654	425,477
Columbian National	14,029,000	9,848,000	9,092,000	4,984,000
Connecticut Mutual	109,978,916	62,217,332	86,589,041	41,260,988
Continental American	11,915,246	8,936,657	8,451,960	5,659,135
Continental Assurance	60,385,817	56,249,118	77,655,492	33,173,295
Continental Life, D. C.	20,070,000	13,118,000	10,269,000	6,562,000
Crown Life, Canada	38,676,751†	25,982,934†	26,759,863†	19,331,942†
Expressmen's Mut. Life	1,994,500	1,018,000	1,211,757	1,257,317
Equitable Life, Canada	3,715,327	2,929,633	2,756,498	1,161,228
Farmers & Bankers Life	8,836,162	5,448,378	6,248,033	3,203,232
Farm Bureau Life	27,487,809	16,628,689	24,095,726	13,519,256
Federal Life	6,075,352	4,771,101	2,848,073	2,144,251
Girard Life	2,749,440	1,852,020	1,965,565	804,523
Gov't Pers. Mut. Life	574,383	518,000	152,300*	297,867
Great Northern Life	5,545,626	3,435,296	3,746,797	1,386,952
Gulf Life	55,871,311	48,549,709	35,258,275	30,543,950
Home Beneficial Life	59,237,175	42,895,571	23,376,236	6,917,227
Home Security Life	13,566,383†	10,842,165†	5,062,562	7,513,110
John Hancock Mut. Life	922,168,399	538,714,071	567,231,057	292,712,860
Illinois Bankers Life	5,807,276	3,474,107	2,011,278	469,083
Iowa Life	11,783,242	23,891,800	8,631,842	21,187,300
Jefferson National	3,104,368	2,286,938	2,387,494	1,943,680
Jefferson Standard Life	52,627,958	32,587,171	39,385,351	22,683,063
Kentucky Hm. Mut. Life	3,038,607	1,567,806	1,308,727	1,459,016†
Lincoln National Life	232,059,379	165,997,603	176,269,996	123,171,536
London Life, Canada	96,631,107	65,849,080	75,242,845	49,954,547
Lutheran Mutual Life	8,525,128	5,431,038	7,126,656	4,429,339
Manhattan Life	18,477,823	13,604,513	14,460,021	10,515,682
Mfrs. Life, Canada	62,028,768	44,849,249	48,207,647	32,780,738
Massachusetts Mutual	118,537,151	80,033,560	75,051,549	41,445,672
Mid-Continent Life	5,505,616	3,678,273	7,417,415	4,244,572
Midland Mutual Life	9,730,732	6,151,605	7,417,415	4,244,572
Minnesota Mutual Life	51,704,291	33,142,444	35,166,520	18,534,222
Missouri Insurance	29,532,848	15,569,682	7,120,848	5,290,468
Monarch Life, Canada	10,887,338	6,385,034	8,195,450	4,733,689
Monumental Life	47,172,862	29,940,269	29,073,862	15,619,923
Mutual Benefit Life	81,991,225	83,527,729	39,144,868	46,282,686
Mutual Life	146,465,468	99,690,794	77,338,635	35,415,385
National Life & Accident	181,542,000	135,340,000	111,095,000	71,051,000
National Life, Canada	6,779,069**	4,173,351	4,287,991	2,707,625
New England Mutual	128,584,656	108,991,898	100,605,394	82,083,696
New World Life	6,376,651	4,233,000	4,692,996	2,736,327
New York Savings Banks	15,090,000	7,530,000	14,980,000	6,670,000
Northwestern Natl. Life	38,086,438	26,420,918	32,274,496	18,045,748
Northern Life, Wash.	23,434,724	12,890,996	16,626,119	7,146,185
Ohio National Life	24,476,172	14,933,747	17,777,549	9,608,948
Ohio State Life	12,430,310	7,262,162	9,041,695	5,238,783
Pan-American Life	24,678,592†	18,134,391†	15,505,525	10,627,645
Presby. Ministers Fund	3,301,032	3,049,458	2,011,159	1,984,204
Provident Mutual	60,121,148	37,422,999	41,267,779	19,632,630
Pyramid Life, N. C.	6,747,562	4,677,567	2,797,097	1,488,557
Reliance Life	30,219,134	23,378,537	10,402,787	8,028,083
Rio Grande National	47,595,753	35,558,217	32,235,901	24,007,220
Rockford Life	7,696,131	6,069,152	4,124,582	2,625,532
Rockford Life & Accl.	4,100,518	2,992,399	2,161,212	1,754,830
Security Life & Trust	6,827,000	5,110,000	4,388,000	3,199,000
Security Life & Trust	9,557,793†	4,608,606†	6,758,017†	2,450,324†
Security Mutual Life	6,628,605	3,963,367	5,055,589	2,849,627
Shenandoah Life	17,627,244	16,922,913	8,198,484	9,889,764
Southwestern Life	44,505,017	31,125,083	31,220,942	15,959,692
Union Life, Va.	9,577,956	7,607,813	4,497,232	3,714,837
Union National Life	11,010,000	4,211,000	9,120,000	2,541,000
United Fidelity Life	6,767,139	4,676,798	4,151,959	2,267,440
United States Life	25,110,183	10,113,287	19,631,265	5,793,861
Victory Mutual Life	1,912,983	1,441,349	997,887	596,342
Volunteer State Life	7,426,127	4,451,204	5,581,790	2,449,709
Washington National	57,641,663	37,985,108	29,519,318	15,058,438
Western Life	12,827,719	8,137,902	9,325,119	6,952,538
Woodmen Central	4,257,259	1,824,199	3,305,035	902,681

FRATERNALS

Aid Assn. for Lutherans	24,847,320	15,030,055	21,771,196	12,720,595
Conservative Life	6,799,000	4,385,000	3,604,360	1,955,781
Maccabees	24,575,292†	18,372,629†		
Woodmen of World, Neb.	34,836,350	25,441,824	7,552,590	10,003,162

†† First five months.

†† Includes reinsurance.

Decrease.

** Includes increases and paid-up additions.

† Does not include group.

†† Includes revivals and increases.

† Includes revivals.

† Ordinary only.

Dim Commerce Department Insurance Expansion

WASHINGTON—The Department of Commerce insurance division may not be expanded after all, according to report, as a result of the demand for funds by other department divisions. Some \$4 million has been provided by Congress for 1946-1947 fiscal year, for the department's bureau of foreign and domestic commerce, of which the office of international trade and its insurance division are parts. This sum is being apportioned among a number of different divisions and offices in the bureau.

Insurance industry members have been hopeful that the insurance division would be expanded so as to do a big job in studying foreign governments' insurance laws and regulations and helping to clear the way for expansion of U. S. insurance activities abroad. However, it appears now that the division may have to rock along with only one man, Jerome Sachs, on the job. If sufficient funds were provided, tentative plans had called for employment of specialists in various elements of insurance, to further the cause of their respective branches in connection with foreign trade.

Travelers Hartford Unit to Have New Location

The Hartford branch of Travelers will move from 9 Central Row to 163 Asylum street as soon as alterations can be completed. The building, of modern, fireproof construction, replaced an old dwelling in Hartford in which J. Pierpont Morgan, Sr., was born.

In its new location the office will occupy the five upper floors comprising more than 40,000 feet of space. The branch has been in its present location on Central Row since the home office building was constructed there in 1928. On its administrative staff are U. Hayden Brockway, life manager; Lester F. Crossley, casualty-surety manager; William T. Hickey, fire manager; H. G. Ford, cashier, and Russell N. Lewis, supervising adjuster.

Round Table Deadline July 31

Agents must submit all papers for qualification or renewal of life membership in the 1946 Million Dollar Round Table to Chairman Louis Behr, Equitable Society, 29 South La Salle street, Chicago, not later than July 31.

Put Up Stout Fight Against New R. R. Retirement Bill

WASHINGTON—Accident and health insurance interests, backed by U. S. Chamber of Commerce, Associated General Contractors, and other interests, are fighting the railroad retirement bill, which was recommended late last week by the Senate committee on interstate commerce, without amendment from the form in which it passed the House. Senator Barkley, Kentucky, majority leader, was driving ahead to secure prompt Senate consideration of the measure, which he jammed through the committee without opportunity for a hearing.

E. H. O'Connor, managing director Insurance Economics Society, Chicago, is here in connection with the bill, with headquarters at the Statler Hotel. He and others interested are contacting Senators with a view to preventing Senate action on the bill or defeating it.

During House committee consideration of the bill, which continued for months, it was reported that the railroad retirement board had little, if any, actuarial data to back up its provisions for increased payments and other benefits that would accrue to railroad employees and others.

Accident and health interests fear the bill, if enacted, would set a pattern which other groups of employees in other industries would seek to have followed in social insurance legislation for their benefit. Because the bill would give special benefits to railroad workers, some supporters of general social security are also opposed to it. Said the U. S. Chamber:

"The railroad insurance bill, if passed, would become a precedent for revamping the entire social security structure. It would enlarge existing railroad pension and unemployment benefits, already greater than the general social security standards. It would add novel life and health insurance features and would shift to the railroad social insurance system many accessory industries, now covered by general social security."

"National chamber policy is that there should be no further separate and preferential, social security treatment of the employees of one industry, nor should there be compulsory national health insurance."

"In the last minute Senate jam anything could happen because of strong pressure behind these bills."

"The paramount issue is whether there should be separate and preferential treatment of the employees of one industry in social security measures established by governmental action, the costs of which would largely be imposed upon other elements of the population. There is no justification for this and we strongly recommend that there be no additional special treatment of railroad employees."

The chamber has stated that present financing of the railroad retirement system is "inadequate according to the actuarial advisory committee set up under the act, the ultimate tax of 7½% on employers and employees combined failing by nearly 3% of the payrolls to meet the costs."

The pending bill would increase the combined taxes by 5%, but the chamber reported that "analysts for the railroads estimate that the total collections would be insufficient to restore the solvency of the system and at the same time finance the many new benefits contemplated."

The bill calls for maximum ultimate taxes totaling 15½%.

Mr. O'Connor says all elements of the insurance industry are opposed to the bill because of its far-reaching provisions and implications involving the setting up of precedents regarded as dangerous with respect to social security, national health insurance, etc.

Mr. O'Connor thought efforts might be made to call up the bill on the floor of the Senate later this week.

Old Line Life Field Men in Conclave at Milwaukee

Newell Day and L. W. S. Chapman Are Featured Convention Speakers

Agents of Old Line Life of Milwaukee were guests of the company at a three-day convention there July 15-17. Paul A. Parker, agency director, introduced President Daggett, who welcomed the agents and noted that life insurance in force had passed \$100 million. The convention theme was "On To Two Hundred Million."

A life insurance clinic was held, concerned with the future in life insurance, how it will be affected by economic trends, what part legislation and government regulations will play, and new markets which have been and will be created by changes in the economy.

Mr. Parker pointed out that an era of high wages, peak employment and curtailment of production of consumer goods was experienced, which provided cash surplus for investment or savings. This created much business for life agents. However, they must be prepared to meet the changed conditions in the post-war era when there will be great competition for the consumer's dollar by all types of businesses.

"The day of the policy-peddler is past," he said. "The war was responsible for elimination of the unfit agents, many of whom, voluntarily or otherwise, went into industry or other lines of endeavor. Never before in the history of life insurance was the American agency system pared down to a point where only the successful and stable men who represented the backbone of our sales organization carried the real story to the American people. Surprisingly this reduced sales force was responsible for a large gain in new business during each of the war years, which resulted in an appreciable gain of insurance in force."

Has Held Seven Schools

He said the major discussion among life managers is on better selection and training of agents and higher efficiency. Old Line has had seven home office schools since September, 1945. An induction course gets the agent into the field within a few days and he knows whom to see, when, and what to say; how to prospect.

The four most potent post-war markets were developed in the clinic with Roy C. Millar as moderator. The why and wherefore of each market as well as proven approaches and presentations were given, followed by a question and answer period. "Today's Opportunities in Mortgage Insurance Sales" were discussed by J. Ray Roets, Milwaukee, manager protected home loan department. The country is on the threshold of the greatest expansion in new construction that it has ever seen, he said, and the protection service that only life insurance can give will be greatly needed. Practically every new home will be mortgaged, and the mortgagors will provide an ample supply of prospects for a long time. Mortgage insurance sales are substantial sales, with a definite amount of protection required, Mr. Roets said. The insurance stays on the books because it is tied up to a definite need and protects the insured's home. After the mortgage has been retired the owner usually is a prospect for some investment type of insurance.

F. G. McNamara, Waukesha, Wis., general agent, spoke on "Government

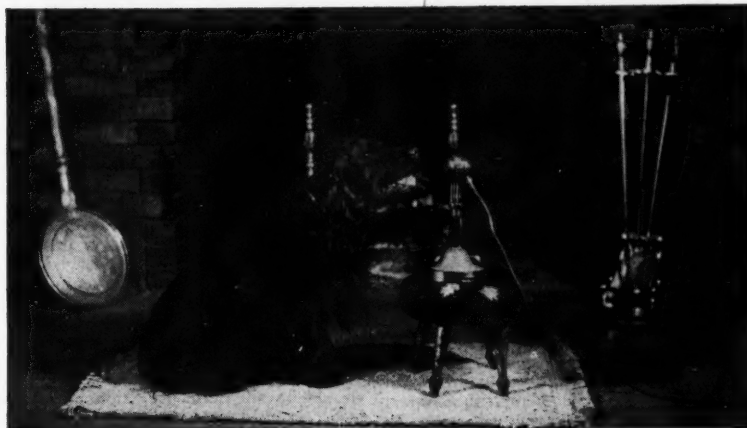
(CONTINUED ON PAGE 23)

Blotters from His Dog Charm Bickel's Clients

Talking dogs have become commonplace, but Jerry, a black cocker spaniel who lives in Cedar Rapids, Ia., has for most of his 14 years been copy-writer for much of the clever promotional

ing and I had the picture and a fleasy 14 1/2% increase. (I guess I'll insist on a new mediator when our present contract expires.)"

Jerry's photograph, snapped by Mr.



blotters sent out by his master, Robert O. Bickel, National Life of Vermont. At least the New Year's blotters which are his specialty are signed "Jerry" and their messages express an authentic canine viewpoint.

They usually tie in with current happenings. For example, the last one started off, "My master thinks he's busy and insists that it is my responsibility to bring you our New Year's greeting. I threatened to cut him off without a blotter unless he yielded to my terms: a 30% increase (in bones) and a picture of my new house. When our negotiations ended he had the greet-

Bickel, adorns each card. Not only are they technically excellent—it takes skillful lighting to get sheen and texture into a black dog's fur—but they show Jerry in eye-catching and sometimes absurd poses that make a hit with the blotters' recipients. The one that went out for 1941 showed him at a microphone in front of the fireplace, allegedly making a fireside chat.

That one began, "My friends: Though never a candidate for any office, I have been drafted for a fourth term to bring you my annual greeting. You, the people have spoken. I expected my master

(CONTINUED ON PAGE 22)

Negro Insurance Companies Hold 4-Day Meet in N. Y.

J. H. Lewis, President of Afro-American, Is New Head of Assn.

NEW YORK—J. H. Lewis, president of Afro-American Life of Jacksonville, Fla., was elected president of the National Negro Insurance Assn. at the conclusion of a four-day meeting attended by 500 representatives of 44 member companies. The association showed an increase of insurance in force of \$80 million in 1945, bringing the total to \$723,225,311, of which about \$160 million is ordinary and the remainder industrial. During 1945 \$13,787,393 was invested in U. S. government bonds and another \$12 million in other federal, state, county, municipal, utility, and railroad securities.

It was decided to hold the 1947 meeting in Detroit.

Other officers elected are: First vice-president, M. C. Clarke, Dunbar Life, Cleveland; second vice-president, Joseph Faison, Provident Home Industrial Mutual, Philadelphia; third vice-president, G. W. Reed, Detroit manager Supreme Liberty Life; fourth vice-president, Dr. C. C. Haydel, Standard Industrial Life of New Orleans; secretary (reelected), A. P. Bentley, Fireside Mutual, Columbus; assistant secretary, N. H. Martin, Central Life of Tampa, Fla.; treasurer, (reelected), A. M. Carter, Pilgrim Health & Life of Augusta, Ga.; chaplain, W. S. Scott, Guaranty Mutual, Savannah; statistician, Mrs. Mamie Morris, Supreme Liberty Life, Chicago; actuary, A. Maceo Walker, Universal Life, Memphis; historian, C. Bernard Gilpin, Richmond Beneficial; general counsel, J. Leonard Lewis, Afro-American Life; sergeant-at-arms, J. A. McKenzie, Provident Home Industrial Mutual; elected to executive committee: C. W. Greene, Atlanta Life, the retiring president of the association; W. J. Kennedy, North Carolina Mutual; and N. S. Houston, Golden State Mutual, Los Angeles.

Three Keynote Speakers

Keynote speakers were Mr. Houston, who discussed general problems and what steps should be taken to meet them; Mr. Reed, who discussed agency matters; and Dr. M. O. Bousfield, medical director Supreme Liberty Life and former colonel in the army medical corps, who talked on the companies' responsibility for the health of their policyholders.

A feature of the meeting was a talk by A. N. Guertin, actuary American Life Convention, on standard valuation and non-forfeiture laws.

In reporting as chairman of the post-war planning committee, M. C. Clarke, Dunbar Life, said the Negroes' economic emancipation must come from increased commercial and financial activity within the race and that the resources of Negro life insurance companies furnish a reservoir of sufficient financial strength to initiate and carry through a constructive program for the economic and social emancipation of the Negroes in this country. He said it is the primary responsibility of those engaged in the life insurance business to see that as many people as possible know as much as possible about life insurance.

The national Negro insurance week committee reported that during this

(CONTINUED ON PAGE 22)

Always Markets

Felix W. Shank of Montgomery, Ala., again a successful underwriter after having been in military service, says that since his return to civilian life "there has been no essential change in my selling plan. I sell a little of everything in the book. I have always tried to stay in all the markets so that regardless of business trends I would always have some markets that were prospects.

"Higher average annual incomes and increased costs of living make it absolutely necessary for people to buy additional insurance now—even to maintain as much security as they had for themselves and their families a few years ago.

"My thought for the returning service man is to go to a dozen of his best policyholders and ask for the names of three people who made good money while he was away. He should then work up a good package sale, thoroughly organized, and start making calls.

"Under present conditions, I don't believe it is possible for a qualified underwriter to give five complete sales talks (on an average basis) to qualified prospects without making a sale."

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THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Social Security Board for Compulsory Sickness Cover

WASHINGTON—As the Senate committee on education and labor concluded hearings on national health insurance, it issued memoranda prepared by the social security board bureau of research and statistics on "Need for Medical Care Insurance." It was submitted by I. S. Falk, bureau director.

The memoranda lists 14 "barriers to adequate medical service." Under the heading "measurement of needs," the memoranda discusses the amount of illness, disabling illness and other phases of the situation. It estimates that on an average 7 million persons are disabled from illness. It discusses unrecognized illness, neglected disease and defects, lack of insurance coverage. Illness increases as income decreases, according to the memoranda. Wage earners in families with annual incomes under \$1,000 have more than twice as many days disability in a year as have those whose family incomes are \$3,000 or more.

The unpredictability of illness and uneven distribution of medical costs are

dealt with in the memoranda, also gaps between needs for care and services rendered, the relation of income to medical care, amount of illness without medical care, illness without medical attendance, need for earlier care, inadequacy of care, maldistribution of resources, distribution of specialists, dentists, nurses and the like; income of members of those groups; the number and types of hospitals, needs for hospitals and hospitalization.

Spreading Cost of Care

Coming down to the ways of spreading the cost of medical care, the memoranda mentions tax-supported medical care, voluntary sickness insurance, Blue Cross plans, prepayment medical care plans.

The report says aggregate health and accident premiums in 1944 were 2½ times 1938 premiums, but total payments for wage loss and medical indemnity did not exceed \$250 million in 1944. Of industrial plans, the report says if voluntary insurance plans are to become general in industry "many types of arrangement would have to be devised, and ways of extending the coverage would have to be developed. Prepayment plans usually require about 10,000 potential patients as the minimum for efficient organization and operation," it is added.

Of Blue Cross the memorandum says its plans "have demonstrated, on the one hand, the relative ease of insuring a substantial fraction of the middle-income groups against hospital costs and, on the other hand, the great difficulty of insuring the low-income groups through voluntary methods."

The report reviews prepayment medical care plans—medical society, group clinic, consumer group, industrial and governmental agency. It deals specifically with the Washington and Oregon state medical societies' plans, farm security administration plans, etc. It says FSA "has done a pioneer job in providing for poor families as much medical care as was possible with the funds available." The Department of Agriculture is also conducting experimental prepayment medical care programs among self-supporting farm families in selected counties in four states; and also sponsors a program for seasonal farm laborers, which is paid for by the government.

Six Million Covered

The report estimates the total number of persons covered by voluntary plans at "probably only 6 million." It presents a table showing 229 industrial, private group, consumer, medical society and government plans have 4,975,000 subscribers.

Discussing limitations and weaknesses of voluntary plans, the report says that "in general, voluntary insurance is blocked or impeded by many barriers." Among these it lists local controversies, lack of information, advice of local physicians, systems of advance charging, extra charges, discouragement due to limitations in the plans and their exclusions and other provisions, and competitive pressure of other costs of living to the people.

These difficulties, the report suggests, account for the fact that though there is widespread popular demand for protection against costs of sickness, the percentage of persons covered by prepayment plans is small.

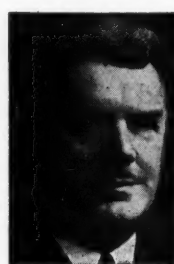
"Voluntary insurance fails of its primary purpose—to give insurance protection to the people who need it most," says the report. "The final test is not good intention but the size of the coverage and the scope of protection. By these criteria, voluntary insurance against the costs of medical care has been tried and found wanting. Its great-

est value has probably been the experience gained in learning how to operate prepayment plans for medical costs."

From all the above, the conclusion arrived at by the SSB bureau is that compulsory sickness insurance is the answer. It outlines a dozen "essential principles for medical care insurance." These include provision of adequate medical care for all, coordination of preventive and curative services, no sacrifice of quality to economy, adequate remuneration for medical men, hospitals, etc.; provision for dependents of insured workers as well as workers, extension of the program "by compact or otherwise to cover all noninsured groups" in need of protection against medical service costs; free choice of physician and hospital to accept or refuse patients; utilization of existing personnel and facilities to the maximum; determination of primary policies by consultation of representatives of public and professional groups; regulation and supervision of qualifications of practitioners and institutions; "the costs of sickness should be broadly distributed over all groups in the population that need insurance protection." The system should not be "a poor man's system." Finally, there should be adequate provisions to stimulate professional education, research, and prevention of disease and disability.

Great-West Attains Billion Stature

Great-West Life now has over \$1 billion business in force, including annuities. In announcing the achievement of this objective, H. W. Manning, vice-president and managing director, paid tribute to the company's organization in the United States.



H. W. Manning

Founded in 1892, Great-West Life entered the U. S. in 1906 and now operates in 11 states. The company maintains a deposit of American securities in the U. S. more than sufficient to cover all obligations to American policyowners.

In 1945 more than 43% of the new business came from the U. S., and of the total amount in force 30% is American business.

Finance Big Radio Deal

GREENSBORO—Ralph Price, president of Jefferson Standard Life, which also owns Pilot Life, has confirmed reports that the two companies would lend the Philadelphia Record \$5½ million so that it can purchase radio station WCAU in Philadelphia. He said that the loan would be made as soon as the "Record's" proposed purchase is approved by the federal communications commission.

The "Record," in its application to FCC, said that the two insurers had agreed "to supply most of the money" needed to buy the station, and asked "permission to purchase the station for \$6 million," the majority of stock of which is owned by Isaac D. Levy and Leon Levy.

Mr. Price said that approximately \$3½ million would be supplied by Jefferson Standard, with the other \$2 million coming from Pilot.

Los Angeles Producer Fined for "Nonadmitted" Sale

LOS ANGELES—M. J. Roberts has been convicted in justice court here for violation of section 703 of the insurance code relative to selling insurance for a non-admitted carrier, and fined \$100, of which \$90 was remitted. This is another of the cases involving First National Benefit of Arizona, which had carried the Robertson case from Ventura county to the United States Supreme Court. That court upheld the right of a state to regulate the transaction of insurance within its borders.

Roberts was arrested more than a year ago, about the same time Robertson was, but final decision in his case was withheld until the Supreme Court had ruled.



"NOW THAT YOU'VE SIGNED—CAN YOU ANSWER ME THIS? WHY WAS IT NECESSARY FOR ME TO MAKE A HALF DOZEN CALLS WHEN YOU NEED THIS INSURANCE PROGRAM SO DESPERATELY?"



HAVE YOU NOTICED ANY TENDENCY FOR THE PART OF LARGE CORPORATIONS TO CANCEL KEY MEN INSURANCE, THE THEORY BEING THAT THE BEST KEY MAN INSURANCE IS A GOOD UNDERSTUDY?

WITHIN THE PAST WEEKS we have had letters from some Advanced Underwriting Service members stating that they had run into this problem—and had been told that it had been adopted by some large firms as a company policy.

IF SUCH A TREND IS UNDERWAY, it is of course of major importance to every underwriter.

IF YOU OR YOUR MEN HAVE RUN INTO situations of this kind, will you please drop us a note. Or if you have noted cases in which large businesses are retaining key man insurance despite good understudies, such information will be equally helpful.

WHATEVER POINTS WE MAY GATHER WILL BE PASSED BACK TO THE FIELD IN THE "CURRENT COMMENT" SECTION OF OUR ADVANCED UNDERWRITING SERVICE.



PAUL SPEICHER
Managing Editor

**THE INSURANCE
RESEARCH & REVIEW SERVICE
INDIANAPOLIS**

Give Decision for Divorcee

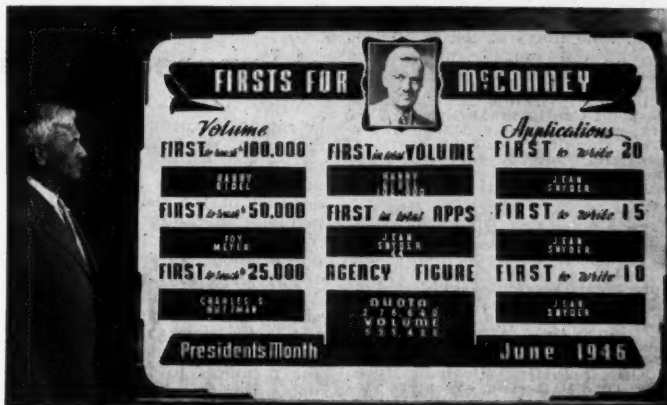
A divorcee is entitled to the proceeds of a policy on the life of her ex-husband wherein she is designated as beneficiary, despite the fact that she is identified in the contract as "wife of the insured," and despite the fact that the separation agreement bars each party from any and all rights or claims by way of death, inheritance, descent, and all rights or claims as widow, widower, heir, distributee, survivor or next of kin, and all other rights or claims whatsoever in or to the estate of the other..." This was the decision of the Ohio court of appeals in Hergenrath vs. State Mutual Life et al, and Hergenrath vs. Metropolitan Life et al.

Cory L. Hergenrath was the insured. He died July 12, 1945. William E. Hergenrath, as an individual and as administrator of the estate of Cory L. Hergenrath, refused to surrender the policy, and claimed that under the separation agreement he, as administrator, was entitled to the proceeds.

The court stated that the legal principle is fairly well established that where a married woman is named as a beneficiary in a policy on the life of her husband, she is entitled to the proceeds even though the parties were divorced before his death.

As to W. E. Hergenrath's contention that the separation agreement worked a forfeiture of the wife's right as beneficiary, the court declared that her right does not hinge on the existence of a relationship of husband and wife, but rather on the well established principles of contract law. There is no evidence of any terms which would indicate that the right of the beneficiary to the fruits of the policy is conditioned upon her remaining the wife of the insured. The words "wife of the insured"

McConney Honored by Bankers Life Men



President E. M. McConney of Bankers Life of Iowa, looks over one of the production boards kept in each agency during June. This board at Decatur, Ill., indicates the way the field force wrote \$12,295,189 of paid for ordinary to honor the new president. This was nearly twice the volume in the same month a year ago.

after the name of the beneficiary were merely descriptive.

The court also said it cannot draw the conclusion that it was not the intention of the parties that the beneficiary should recover the proceeds. There is no allegation to indicate whether the insured reserved the right to change the beneficiary. If he did not reserve the right to change, the position of the administrator would be most untenable. If he did reserve the right to change, he easily could have divested her right by changing the beneficiary and, upon his failure to do so, the court would be justified in assuming that he intended that the beneficiary named should receive the proceeds.

The wife's property interest in the

policy did not arise out of the marriage relationship, the court declared.

Routzohn & Nevin of Dayton were attorneys for Bertie Hergenrath; G. E. Miller represented William Hergenrath and Cowden, Pfarrer & Crew, appeared for Metropolitan Life and State Mutual.

Reorganization Plan in Effect

WASHINGTON — President Truman's plan for abolishing the social security board and U. S. employees compensation commission and transferring their functions to the federal security agency became effective Monday midnight. The Senate had refused during the day by a vote of 40 to 37 to disapprove this reorganization plan.

U. S. Turns Down Cal. on Fund Shift

WASHINGTON—The social security board has notified the governor of California it could not interpret definition of unemployment compensation under the social security act to include cash sickness benefits. This stymies the state's effort to secure release of an estimated \$100 million in employees' unemployment compensation contributions to start the operation of the new California sick benefit law.

Under that law 1% of payroll being contributed by employees will become available for paying sick benefits next year.

Texas Continues as Fertile State for New Companies

Texas continues to be a highly fertile state when it comes to producing new life insurance companies. Already this year 11 new companies have been organized in Texas and announcements are expected soon about the emergence of four new companies in that state. One of these is projected as a so-called limited capital company with capital of \$25,000 whereas the other three will be launched with \$100,000 capital and full underwriting powers.

Miss Sweazea Cleveland Speaker

Miss Ava Sweazea, New England Mutual Life, St. Louis, a life member of the Women's Quarter Million Dollar Round Table, will speak before the women's section of the N.A.L.U. at the annual meeting in Cleveland on "Co-ordinated Estates for Professional Men."

The first six months of 1946, Miss Sweazea led all women agents of New England Mutual in paid-for sales.

A BILLION DOLLAR COMPANY

Life Insurance and Annuities in force have now passed the Billion Dollar mark—a record achieved in fifty-four years.

This growth is evidence of the continued confidence placed in the Company by the insurance-buying public of North America. It is a tribute to an aggressive field force, to sound management and to the virile leadership the Company has enjoyed.

THE
GREAT-WEST LIFE
ASSURANCE COMPANY



New U. S. Chamber Insurance Group Is Appointed

WASHINGTON—The personnel of the 1946-1947 insurance committee of the U. S. Chamber of Commerce is announced.

W. E. McKell, president of New York Casualty and first vice-president of American Surety, is the new chairman, succeeding Chester O. Fischer, vice-president of Massachusetts Mutual Life, who continues as a member of the committee. Carl N. Jacobs, president Hardware Mutual Casualty, remains as vice-chairman.

New members of the committee are Frank A. Christensen, president America Fore; Claris Adams, president Ohio State Life; Edward H. Williams, president Cotton & Woolen Manufacturers

Mutual, and Courtlandt Otis, vice-president Johnson & Higgins.

The first meeting of the new committee will be held Sept. 12 here.

The other members of the committee are:

Walter F. Beyer, vice-president of Home; Judd C. Benson, Union Central Life, Cincinnati; Rollin M. Clark, 1st vice-president Continental Casualty; Paul F. Clark, president John Hancock Mutual; Fred Conklin, president Provident Life, Blomberg; John A. Diemand, president North America; Lee J. Dougherty, vice-president Occidental Life, Davenport.

Also: Hovey T. Freeman, president Manufacturers Mutual Fire; Charles E. Hodges, president American Mutual Liability; Frederick W. Hubbell, president Equitable Life of Iowa; Francis V. Keeling, president West Coast Life; Laurence F. Lee, president Peninsular Life; James L. Madden, 2nd vice-president Metropolitan Life; W. Ross McCain, president Aetna Fire; John A. North, vice-president Phoenix of Hartford; Walter E. Otto, president Michigan Mutual Liability; Otto Patterson, executive vice-president American Automobile; Herman J. Pelstring, president Pa. Lumbermens Mutual Fire; L. G. Purmort, president Central Manufacturers Mutual; Chase M. Smith, secretary National Retailers Mutual; John A. Stevenson, president Penn Mutual Life; John M. Thomas, president National Union Fire; John L. Train, president Utica Mutual; Guy T. Warfield, Warfield-Dorsey, Baltimore; Thomas Watters, Jr., Watters-Cowan-Baldrige, New York; Frazar B. Wilde, president Connecticut General Life.



W. E. McKell

To Refund 20% Tax Paid by Members of Luncheon Clubs

NEW YORK—Insurance men who belong to luncheon clubs are in line for refunds of the 20% federal tax on their dues which they have had to pay beginning with 1943, as the result of a recent decision of the federal court of claims involving the Merchants Club of New York City. This also applies to taxes on initiation fees paid during the period.

The Drug & Chemical Club of New York City, membership of which is about 85% insurance men, is preparing to file claims on behalf of its members. This will make it unnecessary for the members to file claims as individuals. For the club to do this it will be necessary for it to obtain power of attorney from the members. Forms for this purpose will probably be sent out with the September bills.

Applies Only to Social Clubs

About 20 years ago business luncheon clubs received an exemption from the federal tax and received a refund for taxes previously paid. The Drug & Chemical Club distributed several thousand dollars to its members at that time. However, in 1942 the U. S. circuit court of appeals for the second circuit held the Duquesne Club of Pittsburgh to be a social club and in its opinion used language that caused the collector of internal revenue to reverse his previous exemption and to proceed to collect the tax, though not retroactively.

In its opinion the court of claims said that in all the court decisions on the subject in no case had a club similar to the Merchants Club been held subject to the tax and that it had been uniformly held that in order to be subject to the tax the social features must be a material part of the club.

Was Merely Dictum

"It is true," the opinion continues, "that in the opinion in *Duquesne v. Bell*, 127 F. (2nd) 363, the court uses language to the effect that any club where food and drink are served, with conversation on whatever subject pleases the members, is a social organization within the meaning of the statute. But the language was manifestly dictum since the social features of that club were so numerous as to make it clearly taxable. In fact this court has held the same club subject to the tax."

The opinion goes on to say that in view of all the court decisions and the fact that Congress had not changed the statute during the time luncheon clubs were exempted, "we do not think the collector was justified in changing his ruling on the basis of language that was not essential to the decision in the *Duquesne* case."

The Merchants Club setup is practically identical with that of the Drug & Chemical and other luncheon clubs to which many insurance men belong as a business convenience.

Cite Insurance Medical Procedure as Example for Pilot Examination

WASHINGTON—During committee discussion of the Commerce Department appropriation bill for the current fiscal year, which includes provisions for the civil aeronautics administration safety work and civil aeronautics board accident investigation, Rep. Gillespie, Colorado, made the point that airplane pilots should be given medical examinations on a "surprise" basis and by carefully selected medical men. He compared pilots' examinations to examinations for life insurance. It developed that airline pilots are given physical examinations once or twice a year.

"When you have a medical examination for a life insurance policy," said Gillespie, "if it is a small policy the company will let you go to one doctor;

but they tell you what doctor you are to have examine you; and if you cannot go to that doctor they may tell you two or three others you can go to.

"If you are getting a \$50,000 policy they will have not just one doctor for you to go for your examination, but they may have three or four other doctors; and those doctors know when they are examining you for a big policy they are going to be checked up.

"Often a doctor may pass a person with a heart murmur, but if he knows in so doing he may lose his job as the examiner for a big insurance company he will be more careful. If he knows the man is applying for a thousand dollar policy he may make an examination and pass him as being all right, but if the policy is for \$10,000 or \$50,000, and he knows that his opinion is going to be checked by someone else, he is going to be careful.

"But in the airplane business a pilot may go to any doctor and get a check-up. . . And it may be made by someone who is a friend of the pilot."

Gillespie said the same procedure should be followed with respect to pilots' examinations as in examination for a life insurance policy, and that examinations should be on a "surprise" basis. Some other committee members agreed.

Takes Broad View of NSLI Beneficiary Question

The contention of veterans administration that an in loco parentis relationship can only come into being when the "child" is a minor was rejected by the U. S. seventh circuit court of appeals. Thus it was held that a person designated as "aunt" in an NSLI application is entitled to recover the proceeds even though she was not the assured's aunt and even though the assured was 25 when he went to live with her in 1937. The lower court had upheld the VA contention that the relation of in loco parentis could not arise unless the soldier were a minor at the time he went to make his home in the household.

Adolph B. Schwartz was the assured. He had a \$5,000 policy with three sisters as beneficiaries and another \$5,000 with the "aunt" as beneficiary. She was 48 when he went to live with her.

"In our opinion," the higher court held, "if the person named as beneficiary stands in fact in the relation of a parent toward the insured yielding whatsoever there is of substance or sentiment to the relationship, the fact that the person who is the recipient of the fruits of such relationship is an adult is immaterial."

The court went on to cite the fact that the House of Representatives, June 3, 1946, passed without a dissenting voice, a liberalizing amendment to the NSLI act which made certain that the class of beneficiaries included step-parents. In so doing, the court stated, the House expressed its disapproval of the narrow construction given by VA to the words in loco parentis. The case was *Zazove vs. U. S. and Brown*, et al.

Set '47 Canadian Meeting Dates

The 1947 annual meeting of the Canadian Life Insurance Officers Association will be held at the Seignior Club, Montebello, P. Q., May 13-15, 1947. It is anticipated that the annual meeting of the Life Agency Officers section of the Life Insurance Advertisers section of the association will be held at the same place during the same three days.

Ohio State Life Leaders

The Toledo agency of Ohio State Life, J. Earl Pullen, manager, leads volume of insurance written the first six months of this year. Columbus is second. Pittsburgh was the leading producer in June with Bakersfield, Cal. next. Emil Hein of the Bakersfield agency, is top man both for June and the year. A. E. D'Emilio, Pittsburgh manager, was second in June.



LET UNCLE SAM HELP

If you can make a client see that it is net income for the family that counts, you will often uncover potential funds that can be put into life insurance with no sacrifice whatever.

For example, if a man of means makes a gift to his wife of a certain income-producing asset, both his income and estate taxes are thereby reduced, and the income from the property involved is then, for purpose of income tax, included in his wife's lower income bracket at a lower rate.

The family net income will show an increase as a result of this transaction. And the family can enjoy the same operating income it had originally if the difference is put into additional life insurance—a natural disposition of this margin if you as an underwriter are the one who points out that Uncle Sam will be glad to pay the premiums on the new policy!

Insurance In Force, May 31, 1946—\$283,557,012

COMMONWEALTH
LIFE INSURANCE COMPANY
LOUISVILLE • MORTON BOYD, President

Lincoln Nat'l Sales Meets End; Stars on Mexican Trip

The third and final 1946 regional sales congress of Lincoln National Life was held at Estes Park, Colo., with 150 star salesmen including the 42 President



A. L. Dern



A. J. McAndless

Club members in attendance. All members of the President Club attended the Estes Park meeting following which they left on a company-conducted tour to Mexico City.

A. L. Dern, vice-president and director of agencies, presided over all business sessions. A. J. McAndless, president, addressed the gathering on interest rates, investment problems, and practices, the outlook for life insurance, and the transition problems of peace.

W. O. Menge, vice president, discussed life insurance premiums from the actuarial standpoint.

A panel discussion portraying the underwriting methods in action brought the opening-day session to a close.

The training program was described by W. T. Plogsterth, director of field service. "Selling Mortgage Redemption Plans—Why—Where—How" was then discussed by A. C. Fishack and J. I. Curran of Denver.

C. L. Forman, general agent at Long Beach, Cal., proved the value of the endless chain method of prospecting by describing his "Million Dollar Endless Chain" which began originally with a \$1,000 sale. Methods of "Simple Programming with Social Security" were discussed by L. K. Newfield, Oakland general agent. C. S. Miller, Tynér, Ind., then talked on "My Sales Philosophy."

At the banquet Mr. Dern presented awards of achievement and installed club members. Mr. McAndless gave an address of greeting and presented the president's month scroll to L. C. Mascotte, Fort Wayne.

At the final business session Maj. Victor Grant spoke on "The Post-War Change on Free Enterprise."

"Group Insurance" was discussed by A. C. Rogers, manager of the group department. Dennis Radford, Jr., general agent, Omaha, told "Why I Sell Participating Insurance." "How Our Sales Opportunities Look to a Returned Veteran" was discussed by J. Bryan Stratton, Baytown, Tex.

Shortage of Examiners in Mich. Results in Special Effective Date Policy

LANSING, MICH.—Partly due to the shortage of doctors causing many delays in conducting medical examinations, the Michigan department is liberally interpreting the statutory provisions relative to effective date of policies, according to Commissioner Forbes. He has had the life division prepare a general bulletin to the life carriers on the subject of policy dating.

Letters received asking clarification of the law indicate many companies have been uncertain whether policies become effective with signing of the application and payment of first premium or effective date is that of completion of the application by the medical examiner. The department is accepting the former date with reservations, the commissioner

said. The transaction must be bona fide and the agent must have completed a sale when he secured signature to the initial application prior to medical examination.

Thompson Comments

Herbert B. Thompson, head of the life division, noted that the date on which the policy can be placed in effect frequently is a matter of competitive importance and it was felt that it would not be fair to penalize an agent if his company's medical examiners were slower, for any reason, than those of a competing company in scheduling physical examinations of applicants. Sometimes the delay in conduct of medical examinations has been an important factor in application of the proper rate, inasmuch as the initial application was made before an age change and actual final acceptance of the risk came afterward.

The bulletin also covers pension trust cases where the effective date frequently has been in question because an audit by federal security authorities has resulted in temporary rejection of the plan for one reason or another.

Department authorities pointed out that liberal construction of the dating provisions in pension trust cases is justifiable because there is no competitive

element present which might create a situation in which the company willing to date the policy the farthest back would get the business. The safeguards in the statute were designed to prevent this condition from developing but the cases affected by the bulletin ruling are subject wholly to circumstances outside the companies' control.

Ill. Pa. License Reciprocation

Under a reciprocal agreement between Pennsylvania and Illinois, applicants from Pennsylvania for non-resident brokers' licenses in Illinois will not be required to submit to an examination, except in the case of an applicant who maintains an office in Illinois or is a member or an employee of a partnership or association, or an officer, director or employee of a corporation which maintains an office in Illinois.

In Force Figure Now \$189,000,000

State Farm Life has \$189,000,000 life insurance in force as of June 30, it was reported at the annual meeting Monday, in Bloomington, Ill. A number of state agency managers attended and discussed plans with the officers. All officials were reelected. G. F. Holsinger, Harrisonburg, Va., was elected a director.

Moss Campaign in High Gear; Pirnie Reelection Sought

The committee promoting the candidacy of W. Ray Moss of Louisville for a trustee of the National Association of Life Underwriters is going into high



W. Ray Moss



Roderick Pirnie

gear as the time approaches for the election at the annual meeting at Cleveland in September. Literature in his behalf has been gotten out and messages are

(CONTINUED ON PAGE 24)



TEAMED FOR HEAVY LOADS

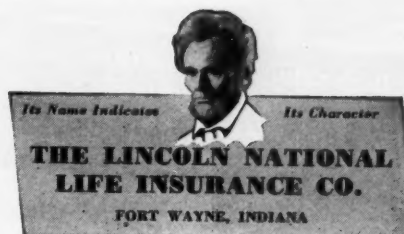
Like two locomotives coupled to handle heavy loads efficiently, LNL's Supplemental Term Rider hitched to a base policy meets heavy protection needs inexpensively.

The Rider may be attached to a wide selection of LNL policies—either standard or substandard. It is issued with or without premium waiver benefits in amounts equal to or up to twice the amount of the base policy for periods of 10, 15, or 20 years. If issued standard, the Rider may be converted to permanent insurance within 7 years on the 10 year

plan; 12 years, 15 year plan; and 15 years, 20 year plan.

LNL's Supplemental Term has proved ideal for the family man who needs a large amount of insurance protection at the lowest possible cost.

LNL representatives serve the public in 43 of the 48 states, Hawaii, Philippines, Canal Zone, and Puerto Rico.



Senate Rewrites NSLI Bill

WASHINGTON—In reporting the GI insurance bill HR 6371 passed by the House last month, the Senate finance committee recommended the Senate make a number of changes in the bill and in the National Service Life law. There are so many changes suggested that the committee struck out the entire text of the House bill and substituted a complete text of its own.

The principal changes in policy which the Senate committee recommends in the House bill are as follows:

Persons who performed active service between Oct. 8, 1940 and Sept. 2, 1945 would be entitled to apply for NSL after separation from service with certain exceptions.

To eliminate the provisions proposing to increase gratuitous insurance benefits provided under existing law from \$5,000 to \$10,000 and to extend such benefits to certain other groups.

To retain the requirements of existing law requiring dependency on the part of parents as a basis of entitlement to gratuitous insurance benefits.

To extend from 30 days to 1 year the

time within which the veterans administration must give notice to certain beneficiaries of the right to receive payments of insurance as a refund life income in lieu of the mode of payment now provided and to limit the right of such election to two years after date of enactment of the bill.

To amend subsection 602 (N) of the NSL act to authorize within 1 year after the date of enactment of the bill application for waiver of any premium becoming due not more than 5 years prior to enactment of the bill.

Posthumous Provision

To amend subsection 602 (P) to provide for the payment of insurance benefits in cases where applicants for insurance signed applications for insurance and then died in line of duty prior to the dates on which the insurance policies were to become effective.

To amend section 617 so as to authorize trial by jury with respect to any denial of a claim for insurance benefits in accordance with established rules of procedure and evidence.

The bill would include step-parents among permitted beneficiaries.

The VA administrator could not hold an applicant to be not in good health when applying for NSL because of

service connected disabilities. Disabled veterans are limited to apply for NSL up to Jan. 1, 1950.

The bill contains much detail. It would extend NSL coverage to persons whose applications were rejected but who were retained in service and many of them killed or disabled. Twenty year endowment, endowment at ages 60 and 65, are added to the classes of insurance into which NSL may be converted. A beneficiary may elect to receive a refund life income in lieu of the method of payment otherwise provided.

Deduction of Premiums

Where the insured authorized in writing deduction of premiums from service pay, the bill provides the insurance shall not be deemed to have lapsed while the insured remained in service, prior to date of enacting the bill, although premium deductions were discontinued because of a discharge to accept a commission or insured was AWOL if restored to active duty, or sentenced by court-martial, if restored to active duty or was required to engage in combat, or was killed in action.

The committee found 400 cases where service persons died before the effective date of insurance stated in the applications. The bill provides for lump sum payments as well as in equal monthly installments and on a refund life income basis.

Monthly disability benefit payments are provided for. To safeguard the NSL reserve fund from possible excessive losses due to granting disability insurance to impaired risks the bill provides for payments from the NSL appropriation.

There is provision for an incontestability clause. Any persons, corporation or the insured's estate may be beneficiaries. The measure adopts substantially the same standards as U. S. government insurance for defining total disability for insurance purposes. Reinstatement provisions are liberal.

The whole program of converting NSL provisions to peace time conditions is understood to be complicated by demands of veterans organizations for terms far beyond what VA believes is in order.

Back Track on SS Legislation

WASHINGTON—Because of a stalemate in the House rules committee over social security revision legislation, the House ways and means committee has fallen back upon the perennial expedient of freezing the old-age and survivors insurance rate at 1% each on employers and employees for 1947. It reversed its earlier decision to increase the rate to 1½% for five years beginning 1947. The committee also reconsidered and decided against its earlier recommendation of legislation proportionately to increase federal grants to low income states for beneficiaries of public assistance.

It is said these reversals will prevent a battle on the floor of the House to insert in the social security law system provisions of the Townsend old-age pension plan.

Rep. Knutson, ranking Republican member of the committee, said the reversals of committee recommendations were necessary in a compromise move, in order to obtain any social security legislation at all before Congress recesses. The rules committee, after holding hearings several days on proposals for a rule providing for consideration of the bill Tuesday voted to give a green light to the revised bill.

Besides providing for the tax freeze, the revised bill provides free OASI coverage for families of veterans of the recent war who die within three years, for including 200,000 maritime workers under unemployment insurance, and increasing from \$20 to \$25 per month the federal contribution to states, to be matched, 50-50, in increasing benefits to needy aged, children and the blind from \$40 to \$50, a maximum of \$40 to \$50 per month.

Life Insurance Record of 1945 in Delaware

The Delaware department has released figures on the 1945 life insurance record in the state showing that new ordinary insurance amounted to \$28,688,040 and total ordinary in force in the state is \$290,929,246.

New group amounted to \$18,214,367 and group in force is \$51,402,520.

New industrial is \$11,840,140 and the total in force is \$133,582,539.

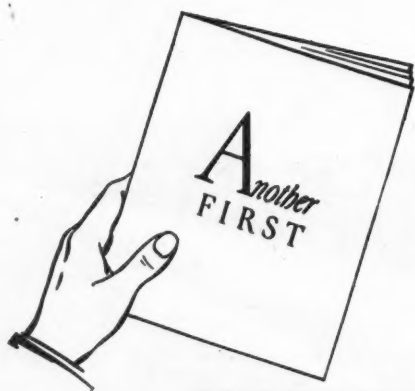
The record by individual companies is:

Figures are for ordinary except (G) for group and (I) for industrial.

	New Business	In Force
Acacia Mutual	857,075	6,565,139
Aetna Life	276,909	3,472,270
(G) 3,547,000		6,233,000
Am. Home Mut. (I)	1,172,435	1,022,041
Baltimore Life	144,256	818,222
(I) 244,852		2,566,828
Bankers Life, Ia.	204,410	2,465,116
Bankers Natl.	34,458	240,925
Columbian Natl.	78,838	272,191
Conn. General	631,136	7,174,978
(G) 66,150		461,870
Conn. Mutual	35,570	2,326,388
Cont. Am. Life.	2,063,168	31,471,448
(G) 49,947		37,606
Cont. Assurance	164,911	578,502
Credit Life	2,003	1,933
(G) 6,506		3,250
Del. Mut. Life.	227,000	1,330,885
Eastern Life		17,000
Equitable Society	2,155,140	25,292,733
(G) 6,706,324		25,086,068
Equitable Life, Ia.	159,181	812,051
Equitable Life, D. C.	1,555,254	8,096,227
(I) 1,297,578		15,039,196
Family Mutual Life.	41,600	376,300
(I) 34,558		592,106
Farm Bureau Life.	355,501	1,301,394
Fidelity Mutual	216,162	3,361,825
Franklin Life		32,095
Home Beneficial	395,402	1,055,495
(I) 1,766,766		2,418,159
Home Friendly	18,000	40,000
(I) 452,017		1,926,836
Home Life, N. Y.		564,695
Home Life, Pa.	1,093,356	7,389,942
(G) 293,945		1,407,445
(I) 704,517		10,414,630
Jeff. Standard	171,605	415,364
John Hancock	1,021,776	6,248,339
(G) 13,559		49,162
(I) 513,821		5,004,487
Ky. Central L. & A.	98,529	73,606
(I) 98,529		39,799
Liberty National	891,496	4,705,386
Lincoln National	80,000	1,025,585
Manufacturers	255,719	3,936,404
Mass. Mut. Life.	6,000	26,473
Mass. Protective	3,721,501	41,415,467
Metropolitan	2,539,700	8,629,976
(G) 1,534,505		27,866,778
Minn. Mutual Life.	11,651	103,152
Monarch Life	78,293	442,184
Monumental	193,666	1,611,322
(I) 164,367		31,277,793
Morris Plan	1,404,887	1,402,887
(G) 587,887		352,732
Mutual Benefit	215,536	7,576,231
Mutual Life	277,672	16,126,373
National Life	233,138	6,042,812
New Eng. Mutual.	1,332,480	5,802,438
New York Life.	550,052	13,591,202
North Am. Accel.	79,600	1,663,112
(G) 12,045		69,431
Northwestern Mutual.	637,784	9,565,375
Occidental Life	5,000	210,894
Old Repub. Credit.	2,056	2,056
Pacific Mutual		222,258
Paul Revere	4,500	28,393
Penn. Mutual	681,001	14,051,605
Peoples Life, D. C.	416,185	1,463,910
(I) 1,660,215		5,406,824
Philadelphia Life		229,434
Phoenix Mutual	83,250	1,570,551
Provident Mutual	934,958	11,395,761
Prudential	4,036,077	32,640,311
(G) 854,470		2,832,325
(I) 1,689,945		28,788,353
Reliance Life	306,991	2,203,696
Seranton Life	265,672	2,717,020
Security Mutual, N.Y.	80,697	397,589
Shenandoah	33,905	142,057
State Farm	165,117	289,676
Sun Life, Canada.	873,265	13,178,425
(G) 1,795,828		2,018,201
Superior Life.	99,915	182,672
Travelers	2,135,614	18,849,395
(G) 1,741,006		4,221,464
Union Central	121,495	3,417,861
Union Mutual	19,549	257,820
United Benefit	47,000	905,627
United Life & Acci.	29,646	148,494
Washington Natl.	29,646	265,123
(I) 406,130		1,002,220

Boston Mutual 100% Ahead

Through a typographical error, Boston Mutual Life's increase in ordinary sales for the first five months was given as 10%, when it should have been 101%. It is still well over 100% ahead for this year.



READ THE STORY of the BRISTOL-MYERS employee benefit plan

This new plan, recently adopted by Bristol-Myers, nationally known maker of drug items, has changed all previous ideas about how to secure good employee relations and complete cooperation with management. It outmoded former approaches to these problems. The plan is practical and successful. Executives of companies will want to check the details for possible application to their own problems... so will Life Underwriters.

Send for a copy of this booklet

Occidental Life Insurance Company of California

V. M. JENKINS - VICE PRESIDENT

"We pay lifetime renewals - they last as long as you do"



Loan Companies Reputedly Forcing Insurance Purchases

ST. LOUIS—Forced by ruling of the Missouri attorney general to reduce their interest rates on loans from 30 and 36% to only 8% per year, some of the small loan companies operating in St. Louis are reported to be forcing their borrowers to take policies of life, health and accident insurance as a means of building up revenue. Other loan companies are making the purchase of such insurance optional.

Small loan companies are not licensed to sell insurance, but virtually all employ someone who is a licensed broker. In some cases an insurance broker has office space with the loan company and the life, accident and health insurance of the borrowers is handled through him.

None of the loan companies will admit they receive part of the broker's commission on the business placed in their offices. That would be a violation of the state insurance laws as generally interpreted.

Superintendent Jackson says: "Sale of policies by licensed brokers employed by the loan companies is legal as long as there are no kickbacks to operators of small loan companies who are not licensed insurance brokers."

Agency Solicits Loan Companies

Small loan companies are being offered life insurance for resale to their borrowers on a basis which reputedly would net a profit, by Bland & Co., an insurance agency.

A letter mailed out by the Bland agency on July 8 and sent to a number of the small loan companies reads as follows:

"To keep you in business until a law and licensing privilege is established, we have a life insurance program that will give you the income necessary for you to make a profit. It has state approval.

"It is new in plan of operation—new in plan for your income. It is flexible to the extent that your insurance income on a \$50 loan or \$300 loan, can be as little as \$1.50 or as big as \$15.

"We earnestly solicit your interest." The letter was signed by C. C. Bland.

Bland when questioned asserted the policies are available in varying amounts but are intended for sale through licensed insurance brokers only.

He said "state approval" meant the policies are those that have been approved by the insurance department.

Merchants & Manufacturers Assn. Not Eligible for Group Cover Garrison Says

LOS ANGELES—Commissioner Garrison in letters to Occidental Life, Pacific Mutual Life and Kellogg Van Winkle, Equitable Society, chairman of the joint producer organizations committee, ruled that the Merchants & Manufacturers Assn. of Los Angeles is not a "trade association" within the meaning of the insurance code permitting group life insurance to be written on the lives of employees of employer members of a trade association.

Under his interpretation the group insurance plan for employees of members of the M. & M., as proposed to be written and serviced by the two companies, is not permissible. His ruling upholds the contention of the producer organizations which opposed the plan.

Homogeneity Required

The opinion says the legislature has given no clue as to what it intended by the expression "trade association" but in its most commonly used sense, it means an association of persons or firms engaged in the same or at least allied trades, much the same as the expression "trade union" is descriptive of a union of persons employed in the same or al-

lied trades. "To my knowledge, 'trade association' seldom, if at all, has been used to describe a civic betterment organization composed of persons and firms engaged in a multiplicity of unrelated businesses," Mr. Garrison says.

One of the fundamental concepts underlying group life insurance is that the persons whose lives are insured are members of a homogeneous group. And he finds that employees of a person or firm engaged in one trade or business do not necessarily have anything in common as respects conditions pertaining to employment or homogeneity for group life insurance purposes with employees of a person or firm engaged in a totally different and unrelated trade or business, solely by virtue of the membership of both employers in the same association.

"I find it impossible to discover any homogeneity, for group life insurance purposes, among the employees of the members of such association as a whole," he concluded.

Selection Gains in Salary Plan

SAN ANTONIO—The Life Managers Club heard Paul Creamer, San Antonio manager for Southwestern Life, discuss preliminary training for new agents and training for established agents. He stated that giving the new man a salary for one year forces more careful selection of recruits. Sixty percent of Southwestern agents now remain in the business.

The recruit is given a six months' training course. Then he completes a six months study on the Diamond Life Bulletins. Later he takes a six month advanced correspondence course. He is required to learn and present a sales talk. Following this, for those agents who show they have ability, there is the company "Income Plan-O-Graph."

The recruit's work is checked by reports on calls made, sales interviews, closes, and fact finding calls.

In answering questions, Mr. Creamer stated that few agents try to cheat. This he attributed to methods of selection.

The salary is to sustain the man's morale so that he may continue to live on the same level among his acquaintances that he has been accustomed to. Consequently, the salary is paid according to the earnings of the recruit before he enters life insurance. Some prefer remaining on a salary the second year, and where the company considers the man as capable of making his way, he is allowed to do this.

A school is conducted at the home office each six months, and the agents go for a review.

Caldwell General Agent of Occidental in Reno

Joe H. Caldwell, war veteran, has been appointed general agent by Occidental Life in Reno, with office in 8 Arcade building. He was a student at University of Utah when he signed a contract with Occidental in January, 1935, through the Salt Lake City agency. In 1943 he was transferred to Reno under supervision of I. R. Barr, manager at Sacramento.

Mr. Caldwell enlisted in the army early in 1945 and returned to Occidental on his discharge this March. He is a past-director of the U. S. Junior Chamber of Commerce, past president Nevada Junior Chamber and is a director of the Reno town hall.

Cash with "App" Is Rule in This Period of Delays

Head offices of life companies are having a difficult time to take care of the business coming in and to keep the machinery rolling in the various processes. Some times it takes as long as a month or six weeks to get out a policy. However, agents are taking advantage of

this situation and are very successful in getting cash with application. They argue that if anyone orders machinery or goods at this time, it may take many weeks before delivery can be made. For instance, if a man desires a suit of clothes he will be lucky if he gets it in six weeks. Therefore, the agents urge the policyholders to make the application, pay cash in advance, and thus be covered from the time first payment is made if the risk is deemed insurable. Prospects readily respond to the proposition knowing that all industries are far behind in their work and they are having a difficult time too.

L. L. Howard Round Table Lifer

Life membership in the Million Dollar Round Table had been awarded to L. L. Howard, Boston general agent Columbian National Life. He is the first man from his company to achieve the life designation. He went with Columbian National Life in 1933 as home office advertising and sales-promotion manager. In 1941 he established a Boston agency for the company and brought it up among leading company agencies. A member of the agency advisory committee, Mr. Howard for five successive years has won membership in the company's Star Producers Club.

Another Record for

"THE FRIENDLY COMPANY OF DISTINCTION"

During the 15 month period ending March 31, 1946, only 2 1/2% of cases submitted were rejected, amounting to only 3.3/10% by volume.

Only 1/5 of 1% were postponed. To give full consideration to our field underwriters and to their clients is our objective.

THE OHIO NATIONAL LIFE INSURANCE COMPANY

T. W. Appleby, Pres.

Cincinnati, Ohio

THE OHIO NATIONAL
LIFE INSURANCE COMPANY

CINCINNATI, OHIO



Dominion Life
THE ASSURANCE COMPANY

Since 1889

HEAD OFFICE: WATERLOO, ONTARIO

SPECIAL PLANS FOR SPECIAL NEEDS

Speedy Legislation Needed To Save Service Insurance

NEW YORK—Unless the pending legislation on National Service life insurance is enacted in the near future, many agents who have discussed the situation with veterans fear that despite every effort on the part of those interested in conserving the insurance the present 85% lapse rate will continue. The bill, which is now in committee, provides a partial lump sum payment, a disability clause, and a beneficiary option. However, it is expected that these changes will not entirely satisfy all the complaints of many of the servicemen.

The principal grievance which the men have now is that they feel that they were sold the insurance without a full explanation as to its meaning. At the time of purchase they were usually led to believe they were getting a \$10,000 policy involving a lump sum payment. Often it is not until the time of their separation that they learn that this policy will bring \$55.10 a month to the beneficiary with no option as to lump sum payment. A great number of those who have not had this provision explained to them consider that they have been misled by the government.

Many servicemen feel, despite the fact that they get this insurance at a lower rate than civilian coverage, that under the present payment system they are not getting their money's worth. Also, those who reduce the coverage in order to pay a smaller premium feel that the benefits are reduced to a point where they are almost worthless.

Dislike Beneficiary Clause

Another complaint often voiced by the servicemen is that they are restricted in being allowed to name only a wife (or husband) or a blood relative as beneficiary. This means that generally the man cannot use the insurance for business purposes, or to provide benefits under some special situation.

Pending legislation will largely remedy these complaints, but it is felt that there remain a number of reasons why

the serviceman would be likely to drop his insurance, the chief of which is that many men dislike dealing with the government and going through the necessary red tape in order to get a very simple request put through. Also, the government has informed the men that they will in many cases have to pay the insurance premiums without always receiving a premium notice. This could easily cause a lapse of the insurance, it is feared, as it is only natural that the money will not be saved without some reminder.

Some servicemen who have taken their cases directly to the Veterans Administration complain that the V A shows little interest in their individual cases. When these men find out the amount of individual attention they will receive from agents, it is reasonable to assume that they will be inclined to drop their government insurance in favor of a contract which will guarantee them some personal attention.

Little Government Interest

The insurance was usually sold by officers in the service who had little or no knowledge of the insurance business. Under these conditions some poor advice was given the servicemen. Many

have converted their insurance prematurely and will be unable to continue payments on a 20-payment or 30-payment life policy.

Because of their general unfamiliarity with the insurance field the persons immediately in charge of selling the insurance to the servicemen have often shown a lack of interest in the program and consequently a large amount of the business will continue on the term basis only so long as the man is in the service.

Virgil A. Clayton Goes to Am. United at Pittsburgh

American United Life has appointed Virgil A. Clayton as Pittsburgh manager in the Union Trust building.

Mr. Clayton started in engineering with Westinghouse Company at East Pittsburgh, serving there from 1923 to 1931, at which time he entered life insurance. After six years with Fidelity Mutual he joined Connecticut Mutual, acting both as a salesman and an instructor of new agents until he joined American United Life.



Virgil A. Clayton

Keep in Selling Trim: Helland

SAN ANTONIO—G. Archie Helland, Connecticut Mutual, general agent, addressed the San Antonio Assn. of Life Underwriters, of which he is president, on "Are We Aware of Present Conditions?"

He suggested that sense of direction among life insurance men has been dulled by conditions. Each new day is an undiscovered field and insurance men should not find this field difficult, he declared. The danger is that under present easy selling conditions the life insurance man dulled by easy sales may grope rather than develop a definite work plan.

The well informed agent, he indicated, is the man who reads carefully the insurance journals and sales helps offered by the company and by specialized life insurance publications. This informed agent, he developed, is ready to take advantage of sales and service opportunities which otherwise may be ignored.

Mr. Helland also told of a call which had come to him for the best informed man available to advise on setting up a pension trust plan. Here, because he had been in the army the past five years, he felt it necessary to refer the inquirer to the representative of another company. He recommended Frank Falkstein of Aetna Life because he is known as a student and capable underwriter.

Mr. Helland urged agents to treat social security and NSLI as a basic plan for programming insurance.

Complaints of Slow Handling by Veterans Administration

S. G. Richardson of Tampa, writes: "We, in the insurance field have been asked to do all possible in assisting the returning GI's to convert their insurance."

"On May 27, I forwarded to the veterans administration an application to convert \$10,000 into twenty payment life as of attained age; I sent properly filled out application with New York draft for \$254.50 to cover the first annual premium on the converted policy; I asked the administration to acknowledge receipt of the remittance and to forward the new policy to me for delivery as soon as possible."

"Up until this date no word has been received from the administration. The young man in question gave me the money in cash and, of course, looks to me to render the service I promised."

"How can the administration expect cooperation from the field men, if we continue to get such poor service as this?"

"In talking with other life men they all tell me the same story—cannot hear from Washington."

"Two other cases I have handled this month have gone forward with money enclosed and I am expecting the same poor service from all three cases."

"Unless the system is soon improved I am much afraid most of the life men will discontinue their efforts to assist in the reconversion of GI insurance."

New Wash. Code Being Drafted

If the new insurance code for Washington state is adopted by the legislature at the next session, the post of insurance commissioner will be non-partisan. The office has been comparatively free of politics in recent years, but the commissioners have been elected on a party "ticket", similar to other state officials. The new code will provide the commissioner be elected as are state supreme court judges—on a non-partisan basis, for a term of six years, whereas the present term is four. It is expected the new code draft will be completed by Sept. 1 and public hearings probably will begin in October. Robert Williams, Olympia, Wash., attorney, was employed by Commissioner Sullivan to prepare the code.

Life Insurance Company Investments

Distribution of life insurance company investments, as shown by the Institute of Life Insurance for 1945 and 1946, is

	Purchases				Holdings	
	April, 1946	April, 1945	4 Mos. 1946	4 Mos. 1945	April 30, 1946	April 30, 1945
U. S. Government Securities	\$232	\$256	\$1,473	\$1,636	\$21,324	\$17,270
Railroad Bonds	61	63	220	274	2,736	2,733
Public Utility Bonds	49	189	130	313	5,077	5,212
Industrial & Misc. Bonds	156	69	344	153	2,072	1,935
Stocks	50	26	131	70	941	698
State, County, Municipal Bonds	1	1	6	10	654	970
All Foreign Securities	56	2	148	68	1,536	1,353
Farm Mortgages	18	13	71	53	772	781
FHA Mortgages	12	21	44	84	1,346	1,428
Other Mortgages	86	51	290	180	4,480	4,439
Total	\$721	\$691	\$2,857	\$2,841	\$40,938	\$36,819

The BRIGHT SPOT
of OPPORTUNITY
for a high-grade man
RIGHT NOW is..

ST. LOUIS
(Mo.)

ELKHART
(Ind.)

KNOXVILLE
(Tenn.)

AMERICAN UNITED LIFE INSURANCE COMPANY

Established 1877



Indianapolis

Sales Ideas and Suggestions

Counsel for Agents' Wives

Canadian Woman Tells Value and Satisfaction in Partnership Relationship with Husband

By PIERRETTE C. LEWIS

It is a privilege to be the wife of a life underwriter, if you can grasp the significance and importance of your husband's work.

I was not always of that opinion, consequently, I feel I have a definite message for the wives of insurance salesmen who are not yet in sympathy with their husband's occupation. My experience has shown that to grasp the importance of your husband's work is of tremendous help to him.

Five years ago, my husband and I, unconsciously formed a partnership when he entered the training department of a large insurance company. Today, we are conscious of that partnership, and we are grateful for its privileges. Previously, my husband had been a salesman for a chewing gum company. I was a harassed young mother who never gave much thought to her husband's work. I was too busy with the children, and his work was not interesting enough to captivate my enthusiasm.

Drawn Into the Home Work

This picture changed entirely after he entered the life insurance business. There was a lot of homework, and I found myself drawn into it. I was sold so many imaginary policies I was dizzy! The rate book replaced the child training book, and I finally caught the insurance "bug," for my husband's interest and enthusiasm were very contagious. This mutual interest was beneficial to both of us. I no longer bored him with the trivial details of "My Day" with our little terrors. I was anxious to hear of "His Day" and all the exciting phases of his training. We became students together and there was born the partnership that still exists, for, we are still studying together and we are still very enthusiastic over every aspect of the life insurance business.

I noticed many startling changes in my husband. He developed a beautiful case of nerves and he became a temperamental prima donna begging for encouragement. One would never have guessed he had been selling for the past 15 years. The memory of his first interview and his first sale still brings a shudder. Looking back, I realize that, had I not developed an interest in his work, the first year would have been much more difficult for both of us. So, my advice is, develop an interest in the insurance business. It is interesting. The case histories are spicier than the best novels, the people are real, they are funny, they are pathetic, and above all, they are tremendously interesting. You can run the whole gamut of emotions, hearing about them. I wept over some, and laughed at others and I can guarantee that, viewed this way, insurance selling is fun and educational to anyone interested in people.

Became Possessor of a Boss

The first year brought a lot of changes in our lives, but it was only the beginning. My husband was transferred to a branch and we became the proud possessors of a boss commonly known in trade circles as a manager.

The manager-salesman relationship opened our eyes to the spirit of co-operation that exists in the insurance business.

Most wives feel that the boss is a Scrooge who does not appreciate their husband's ability. I was no exception.

The chip was firmly ensconced on my shoulder. Our brand new boss casually flipped it from its perch. He appreciated my husband's ability. What's more, he foresaw a brilliant future. We realized then, that here was a challenge. There was no ceiling on our earning power, and, with the faith so earnestly given by the boss we were on our way. Needless to add that he ceased to be the boss, he became a partner. It was not a case of appreciation of ability, the ability was there, you could make it earn. The more you proved your ability, the more beneficial it was to all partners concerned.

So, my second advice is—look upon your manager as your partner. It depends solely on your husband's ability and your faith in that ability.

The author is the wife of Harry C. Lewis of the Toronto Osgoode branch of Canada Life. She is French Canadian, educated at Montreal, the mother of two children, and her hobbies are writing, music and cooking and she states her interest in the life insurance business is part of her great interest in her husband who is her most important hobby.

That it is a privilege to be a life underwriter's wife did not come to me till this year. It should have come long ago, for with this revelation has come relaxation. I've been too long without relaxation.

The selling of life insurance can be hectic, it is hectic. The ups and downs take a toll on your sense of humor and your sense of security. My first step was to count my blessings. Count yours, they are legion.

The life insurance business enables you to take an active part in your husband's work without moving out of the house. There are some of you who have no children, and consequently can take an even more active part, such as clubs, entertainment, etc. But, I am speaking of the moral partnership that exists. You become partners in a highly remunerative business.

True, in the eyes of the business world, you are a silent partner, but it is a golden silence. You listen, you wait, and you study. It accords you the privilege of being close to your husband, you are, in part, responsible for his success, and, that feeling alone is a prerogative that cannot be bought.

I don't have to enumerate the rights that make you a partner. You know them well. Most of us are grass widows, the responsibility of the home rests almost entirely on our shoulders. I am thinking of the evenings spent waiting for friend husband to come home from an interview. If there is an application tucked away in his brief case, I'm proud and pleased, and I feel that I had a hand in his success. If there is no application, we go over the whole interview together. Why wasn't the sale made? Is it our fault? If so we must profit from that failure.

Wife's Share in the Business

This type of evening is my share in the business. I enjoy it, and I love the feeling of having done something constructive towards my husband's success. You have a right to be your husband's partner, use it, and be happy in the knowledge that his success is your success. If he is going through a slump period, you have a right to go through it with him. You'll be so busy you won't have time to fret over it. I admit it is a peculiar form of relaxation, but it works.

Another advantage of being a life underwriter's wife lies in the knowledge

that your husband's work is beneficial to others. I confess it took me a few years to realize that. To me life insurance was important because of the livelihood we drew out of it. The commission check was very important (it still is) but, I began to realize what my husband had known all along, that life insurance was necessary to others and that he was in a position to help his fellow men.

Plenty of Tragic Tales

You don't have to go very far to hear stories emphasizing the need for insurance, your husband's brief case is full of tragic tales of young widows, and old widows, of young men who forget they will some day be old men and of old men who wished they hadn't forgotten.

It is a good feeling to know that your husband has a part in the building of a better future for so many people.

This aspect of the life insurance business, also, is relaxing. Your tense, tired feeling is so small when compared to the great benefits your husband's efforts can give to the community.

Relax, and be grateful for the privilege it gives you to be part of such a business.

There you have it, you have the privilege of being a partner in a good sound business. It pays well. It helps others. Above all, it gives you the opportunity to grow old with your husband, confident in the knowledge that you are fulfilling your role as a wife, mother and partner.

Letters to Policyholders Vital in Public Relations

NEW YORK—Better letters to policyholders are rapidly coming to be appreciated as a vital factor in public relations and many home office executives are studying what has been done in this relatively new field. An even newer development but of equal importance to a company is the realization that the type of letters to its managers and agents can have a substantial effect on the attitude of men in the field.

Letter-writing is such a long-established and routine part of a home of-

fice's work that it is ordinarily taken for granted and it is not until a survey is made that the power of poor letters to damage a company's standing with its policyholders or representatives becomes apparent. Then it is found that all too many of such letters are stuffy, coldly impersonal, full of trite expressions and technical jargon, and are either so brief as to seem curt or so lengthy as to be tiresome and repetitious.

Every Letter a Sales Letter

R. H. Morris Associates, correspondence consultants for Mutual Life, Home Life of New York and other companies in the insurance business and outside it, contend that every letter is fundamentally a sales letter and that letter writers need thorough training in what is a vitally important phase of any public relations program.

Of course the worst letters are those that produce antagonism but almost as bad from a public relations standpoint is the type that merely leave the recipient confused. He may even get the idea that the company is trying to give him the runaround. Mr. Morris cites the following as a good example of the antagonizing type of letter:

"Under date of, we advised you that your remittance sent to us, in payment of \$ premium was 60 cents short. Unless we receive a balance of remittance by, your policy will lapse. We would appreciate it if you would let us have this. We are attaching a stamped envelope for your convenience."

The policyholder's reply aptly expressed the irritation that such letters can cause: "I was informed by your office that if I did not pay 60 cents on a \$ premium, my policy would lapse. I think that unreasonable. Your salesmen work too hard to risk losing

(CONTINUED ON PAGE 24)



"Bills are actually a pleasure when there's always a retirement income check to meet them."

EDITORIAL COMMENT

N. A. L. U. and Its New Stature

THE NATIONAL UNDERWRITER is pleased to extend congratulations to the National Assn. of Life Underwriters upon the attainment of that impressive membership goal of 45,000. This gives the organization a stature and a national place that commands the highest respect. Such growth attests the very great contribution to the welfare and upgrading of the life insurance salesman and the career of life insurance selling

that is being made by the volunteer leaders in the organization and by the resourceful and aggressive headquarters staff.

The N.A.L.U. stands right near the top in the trade organizations of the country and the fact that it is constantly attracting new members to its ranks is tangible evidence of the fact that it is right on the beam in its representation of agency affairs.

More Humanity Needed in Administration

Some of the insurance organizations have had a study made of the employment situation of their member companies. There is considerable unrest among employees and, in fact, the employment problem is one of the greatest confronting the business today.

This investigation brought out a number of interesting facts. Many of them are rather delicate and cannot be discussed in public. There was one feature, however, that was found in some offices that can be recorded and it should be rather easy to change. It was discovered that in some offices the employees felt that the upper people were too prone to ignore the lower people, so to speak. That is, there was a "high hat" attitude assumed by the commanding employers. They did not desire seemingly to have any traffic with the employees. They walk down the aisles looking neither right or left.

All this left the impression among the employees that their work was unimportant, that they were not a part of the organization the same as the higher ups. It left a rather depressing effect. Employees simply stayed on because they had to in order to make a living. Pride in their organization did not exist. They were ignored, they were not treated as associates and the general feeling pre-

vailed that only men higher up were useful and necessary.

Therefore, in these concerns there was a lack of human understanding and sympathy. The people in the upper house had too great an opinion of themselves and there was a sort of aristocracy that was artificially created and grated on the employees. This situation naturally created a feeling of hostility and indifference.

Here is a condition that could be cured. The men higher up should recognize the employees as human beings and treat them as such. They have an important part in the machinery. They contribute much to the success of their organization. A word of commendation or friendly greeting would have engendered an entirely new spirit. The employees are not ambitious to circulate in the same sphere as the higher ups but they do feel that they sit on the same platform so far as the human side of business is concerned.

Since this investigation was made the committee in charge analyzed the results, the members frankly talked with certain officers about this attitude towards employees. It is hoped that some changes will be made that will bring about an entirely new atmosphere in this respect.

Getting Paid for Having Fun

Quite a few of the more successful insurance producers are both happy and successful not only because of their diligence but because they have made their business a vehicle for making their hobbies or personal interests profitable. In fact, many of these men would be considerably less successful, not only in terms of happiness but of material wealth, had they not used their imaginations and ingenuity to transmute what would otherwise be—for them—irksome drudgery into profitable fun.

One man, for example, is extremely

clever at developing gadgets for sales promotional purposes. Gadgetry is his first love but selling insurance is more remunerative. It was also more boring, when practiced in the orthodox fashion. This producer has made his gadgets work for him in his insurance business. He has developed them to the point where they have won him a unique reputation among his clients and prospects. Feature articles about him have appeared in at least three insurance publications. Possibly he could garner as many premium dollars with less expense

if he gave up his promotional gadgets and operated as most other producers do. But it would be an unsatisfactory life. This way he's doing what he likes to do and he also is getting paid for doing it.

Many producers have used their photographic hobby as a business adjunct. People always appreciate good pictures—and that doesn't mean a casual snapshot—of themselves, their families or their houses. One agent even takes color pictures, which are especially appreciated because they are beyond the skill of most picture-takers.

One agent, a stamp and coin collector, has developed a profitable business among dealers in these fields and among other collectors as well. Since they know and trust him they buy many other types of insurance besides coin and stamp coverages.

Giving parties, playing golf, engaging in civic work, belonging to lodges, are more frequently encountered examples of combining fun with business. Some agents or brokers may feel reluctant about making these activities a part of

their business-getting, but for the man who enjoys them it merely means that his business is a way for him to engage in these pleasures to an extent that would otherwise be impossible without impoverishing himself.

Many producers combine business with pleasure more or less naturally and without any long-range strategy in mind. But there must be many others who could get a great deal more enjoyment from their work if they would ask themselves what they really like to do and then set about finding a way of adapting their business to tie in with their personal interests.

No small part of the advantage of making one's hobby and personal interests tie in with business is that it enhances the personal relationship between the producer and those whom he deals with. This should help in getting more business. There are many men to whom this cordial relationship in business means so much that they will go to some trouble to achieve it even though it doesn't add a dollar a year to their incomes.

PERSONAL SIDE OF THE BUSINESS

Julius Schmahl, chairman of Modern Life, St. Paul, and N. J. Holmberg, vice-president of that company, were renominated in the Republican primary for state treasurer and railroad and warehouse commissioner, respectively. E. W. Carlson, state manager for Northern Life of Seattle, led a field of three in the mayoralty primary at Stillwater.

Ralph H. Alexander, deputy insurance commissioner of Pennsylvania, and Mrs. Alexander are leaving on a trip to Florida to visit their two grandchildren, whom they have not seen. Their son is a patrol commander in the navy and is expected to be assigned to some far off post shortly. His wife and children reside in Florida.

E. B. MacLachy, superintendent of insurance of New Brunswick for 10 years, has been made a K. C. (King's Counsel).

James M. Hamill, leading producer of Equitable Society at San Francisco for many years, has qualified for life membership in the Million Dollar Round Table. He was recently elected president of the California Assn. of Life Underwriters.

Harold Lunsford, Farmers & Bankers Life general agent at Emporia and past president of the Kansas Life Underwriters Assn., has been named to the city commission there.

H. Clay Evans Johnson, president of Interstate Life & Accident, has been elected a member of the city commission of Lookout Mountain.

Mr. and Mrs. W. F. Bald of Nokomis, Ill., have donated a pioneer log cabin to St. Mark Lutheran church of that city in memory of their son, Edward, who was killed in action with the air

forces in Europe. Mr. Bald has been general agent for Bankers Life of Iowa since 1912.

Miss Dorothy Alldredge, daughter of F. B. Alldredge, general agent of Occidental Life at Stockton, Cal., was married in the Church of the Reformation, Glendale, to Capt. Norman Mykels, recently released from service with the army medical corps. After a honeymoon at Catalina Island, they will reside in Eagle Rock.

Milton Pollard, Milwaukee general agent for Provident Mutual Life, has been appointed by Mayor Bohn to a three-year term on the Milwaukee city harbor commission.

DEATHS

Veteran Midwest Insurance Lawyer Is Dead

ST. LOUIS—James Coulter Jones, 80, one of the country's outstanding insurance attorneys and a past chairman of both the Legal Section of the American Life Convention and the Association of Life Insurance Counsel, died Sunday at his home in Clayton, Mo., of arterio-sclerosis. He had been in ill-health for several years.

He worked indefatigably in behalf of Missouri's blind for many years and also fathered the "Cardinal" idea that rescued the St. Louis Cardinals baseball team from the depths of the National League and made it one of the most prominent in the country. He was past president St. Louis National League Club and helped to found the Cardinals Knothole Gang that made it

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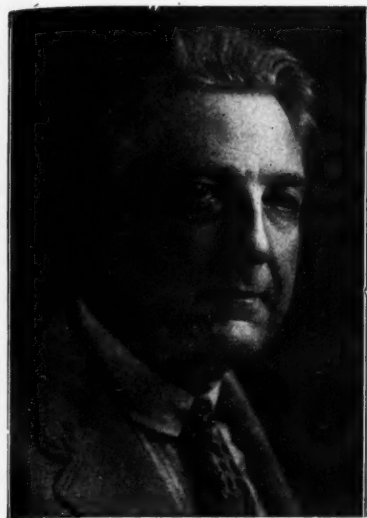
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possible for thousands of boys in major league cities to witness league games as guests of the club owners.

Mr. Jones was a native St. Louisian and son of the late Circuit Judge W. C.



JAMES C. JONES

Jones. He never attended law school but served his law apprenticeship in Texas, returned to St. Louis in 1885, being admitted to the Missouri bar on becoming a partner in his father's law firm. When his father died in 1903 the son became the senior member of the firm, now known as Jones, Hocker, Gladney & Grand.

He was elected secretary of the A.L.C. Legal Section in 1919 and chairman the following year. At that time he was counsel of American National, St. Louis, which in 1933 consolidated with Central States. He was a director of the latter company for a few years. His son, James C. Jones, Jr., then counsel for Central States, also was a secretary and chairman of the Legal Section.

Mr. Jones was active in Democratic party politics and in 1928 handled the Missouri Presidential campaign of Al Smith.

He was president of the Missouri Bar Association 1917-1918 and of the St. Louis bar in 1915-1916.

F. C. Sanborn, 92, Dies; 70 Years with Mass. Mut.

BOSTON—The death of Fred C. Sanborn, retired Boston general agent of Massachusetts Mutual and a director of the company for many years, removes from life one of the oldest and most respected life insurance men in New England. His passing came at the ripe age of 92 and even up to the last he had been able to meet his old friends and occasionally enjoy a dinner with them at the Parker House.



F. C. Sanborn

He entered the service of Massachusetts Mutual in 1873 as a clerk in the company's office at Manchester, N. H. He was then 20 years of age. In 1886 he was transferred to the Boston agency as cashier, remaining in that position until 1895, when on the death of George N. Carpenter, general agent, he succeeded to that post. He held this position until 1929, when he requested the company relieve him of agency responsibilities. He was then made general agent emeritus and continued to serve in that capacity. He was elected a director of the Massachusetts Mutual two years later and continued to serve in that office until recently. His total length of service to the com-

pany exceeded 70 years. He had served as secretary and president of the Boston Life Underwriters Association.

H. O. Johnson, 54, general agent of Occidental Life at Hastings, Neb., died. He underwent a major operation two months ago.

Mr. Johnson was a leading agent of Bankers Life of Nebraska for 17 years before being appointed by Occidental in 1939. He has consistently led his agency in personal production and in seven years with Occidental never missed a week on the App-a-Week Club. Despite his illness, he maintained his production leadership in the company during the months immediately preceding his death. In 1945, his agency ranked among the first 50 of Occidental in paid life, accident and sickness business.

He was a native of Nebraska. A son, Robert H. Johnson, war veteran, became an Occidental agent at Kearney, Neb., in January on discharge from the army air corps.

J. O. Bryan, 58, with Equitable Society for 39 years and agency cashier at St. Paul since 1923, died there.

Mutual Benefit Names F. P. Pierce at Des Moines

Franklin P. Pierce has been appointed manager by Mutual Benefit Life at Des Moines. He has had charge of the agency since April when Russ B. Knapp left to become associate general agent in the Youngman agency in New York.

Mr. Pierce entered the business in Hartford in 1933, soon after his graduation from college. He was a successful personal producer for four years, then became agency supervisor and instructor in home office and supervisors schools. He joined Mutual Benefit in the Hartford agency in 1945.

In his 13 years in Hartford he has served as an officer of the Supervisors Association and the Hartford and Connecticut Life Underwriters Assns. He is a C.L.U.

Million Forego OASI Benefits

WASHINGTON—The social security board has estimated that more than 1 million persons have deferred their right to insurance benefits under the OASI program, of which number about 750,000 covered workers have failed to file claims for benefits and 250,000 aged wives of male workers have done likewise, in addition to thousands of widows, children or others eligible for survivors' benefits who have taken jobs rather than accept benefit payments.

Dr. Arthur J. Altmeyer, board chairman, recently told a congressional committee that the total number of OASI survivor beneficiaries on the rolls has continued and will continue to rise "as is to be expected with increase in the insured population and the usual development of a long-term insurance program." The number of persons claiming OASI benefits is rising more rapidly than during the war years and will continue to do so. He estimated about 1 million over 65 have been working during the war who are eligible for retirement.

Pay Benefits to 2,100,000

Dr. Altmeyer estimated that during the new fiscal year beginning this month the board will be keeping individual OASI accounts of some 85 million persons, and paying monthly benefits to 2,100,000 persons under OASI.

He said it takes about three weeks to process an OASI claim, from the time a letter is written to a SSB field office to certification of a claim to the Treasury. He estimated by the end of 1947 payments will be at the rate of \$400 mil-

lion a year.

SSB has about 9,600 employees and thinks it should have 10,700.

Doyle Host to Class

M. J. Doyle, head of the Security Life & Accident agency at Denver, was host to a graduating class in the Doyle agency which had completed the training course, and to home officials at a dinner. President Baldwin presented diplomas to the class and discussed selling, training and other pertinent topics. Mr. and Mrs. W. J. Butler of Eugene, Ore., and Manager W. W. Winter of Lincoln, Neb., were guests. The course was conducted by G. W. O'Shaughnessy, education and publicity director for the company.

Loses Claim to Interest

CINCINNATI—The U. S. Circuit Court of Appeals sustained a decision of the district court disallowing interest to General American Life on a \$500,000 debt due it from the receiver of Bank of Kentucky which failed in 1930. The lower court's order limited its recovery to \$625,703 previously paid into the court by the receiver and absolved him from the payment of further interest on this amount which had been proffered General American. The debt was inherited by General American with the assets of its predecessor, Missouri State Life, which had an involved financial transaction with the former Rogers Caldwell bank and Inter-Southern Life.

GREAT AMERICAN INSTITUTIONS



I. Free Education for All

NO ONE but an American can understand the national doctrine that the lowliest born baby may become President of the United States. The idea is nurtured by a Great American Institution—the right of every inhabitant, regardless of wealth or position, to a good schooling. Free education for all is a firm foundation stone of tomorrow's greatness.

And another great institution—Life Insurance—works hand in glove with the precious privilege of schooling for all. It underwrites the sacred continuance of a family when struck down by an economic catastrophe—death of the earning member. Life Insurance keeps the road to opportunity open.

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LIFE AGENCY CHANGES

Wood State Mutual N. J. General Agent

Fred Libereich, Jr., who has been general agent in New Jersey for State Mutual Life, with headquarters in Newark for nearly 10 years, has resigned. Before joining State Mutual he was manager in New Jersey for Jefferson Standard Life for about five years. He

has been in insurance work in New Jersey for 24 years.

He will be succeeded by John W. Wood, an assistant manager of the home office ordinary agency of Prudential. Following his graduation from Princeton in 1931, Mr. Wood entered the home office of Prudential as a clerk. Since 1942 he has been assistant manager of the home office ordinary agency. He is president of the Life Underwriters Assn. of Northern New Jersey.

A STATEMENT OF POLICY



by
W. Paul Stillman
Chairman of the Board

I am definitely sales minded. I do not say that merely to please you—although I assume that it will—but rather to inform you of one type of thinking that will be vigorously applied to the development of our Company during the coming years.

[FROM A RECENT ADDRESS]



IN OUR 102ND YEAR OF LIBERAL SERVICE

The Mutual Benefit Life Insurance Company

Newark, New Jersey

SECURITY
is a simple matter!

With a Bankers Mutual Life contract, tailored to your measure. An Agent's and Policyholder's Company "where the Agent reigns supreme".

Bankers Mutual Life Co.
ESTABLISHED 1907
FREEPORT, ILLINOIS



He was recently discharged from the navy with the rank of lieutenant commander.

Beckham Takes Oregon Post

Horace F. Beckham, superintendent of agencies for Minnesota Mutual Life since 1937, has been named general agent for Oregon in the Dekum building, Portland.

Mr. Beckham has been associated with Minnesota Mutual 20 years in various capacities. He started in 1926 as cashier of the Sam Weems agency, Dallas. When he transferred to selling he became an outstanding producer. Upon Mr. Weems' decision to relinquish the managerial duties at Dallas office and move to McAllen, Mr. Beckham succeeded him as general agent in 1934. He continued in this position until 1937 when he went to the home office.

Rockwell Conn. General Manager at Rochester, N. Y.

J. Hobart Rockwell, former Utica branch manager of Connecticut General Life, has been appointed manager in Rochester, N. Y. Mr. Rockwell, who served as a captain in the navy for six years, succeeds James L. Wright, who resigned as Rochester manager to serve an increased personal clientele.

Mr. Wright will continue to be connected with Connecticut General.

Mr. Rockwell is a naval academy graduate and was called to active service in 1940. His previous experience with the company has been both in management and in development of personal clientele. He received the C.L.U. designation in 1941 and the LL.B. degree in 1946.

Gorrill Travelers Aid at Seattle; Shaw at Boston

Athol G. Gorrill and Robert J. Shaw, both assistant managers of Travelers, have returned from service and been appointed at Seattle and Boston respectively.

Mr. Gorrill, released with the rank of lieutenant colonel after three years in the army, served in the ETO in the troop movement division, his last assignment being as chief of the passenger branch movements division at Frankfurt, Germany.

Mr. Shaw enlisted in the marines in 1944 and when released had served as rehabilitation occupational technician at Cherry Point and in Boston.

Robert T. Wallace, field assistant at Nashville, has been appointed assistant manager there.

Woodburn Named at Topeka

Frank F. Woodburn, a former automobile salesman, has been named district agent at Topeka by Penn Mutual following a training period at the Wichita general agency under Paul Jernigan, general agent. Mr. Woodburn earlier had been in the life business at Sioux Falls, S. D.

Lewis Opens Elizabeth Branch

Arthur Lewis, Newark general agent of Pacific Mutual Life, has opened a branch in Elizabeth, N. J., in charge of Ralph Feldman, who has been appointed assistant manager in charge of field production for New Jersey.

Ted Mitchell, who was assistant manager, has become agency supervisor and Jay Arnet, agency supervisor at Jersey City, has been made state supervisor in charge of personnel training and induction.

Lynchburg, Rome Men Switch

Carl C. Ashworth, formerly manager for Metropolitan Life at Rome, Ga., has been placed in charge at Lynchburg, Va. He is vice-president of the life underwriters ass'n. there.

burg, Va. He succeeds W. Marvin Smith who is being transferred to Rome.

Mr. Ashworth attended Fairmount College and prior to joining Metropolitan was engaged in civil engineering and later was in the general merchandising business. He joined Metropolitan at Atlanta in 1912. He was made an assistant manager in 1916 and served in that capacity at Athens, Ga., and Atlanta. He was promoted to manager in 1922 at Athens, Ga., and he subsequently served as manager at Jacksonville, and Rome.

Mr. Ashworth was president of Rome Kiwanis Club.

Mr. Smith attended Elon College, and prior to joining Metropolitan, was employed by American Tobacco Co., and was also in the real estate business.

He joined Metropolitan at Greensboro in 1920 and in 1922 was made an assistant manager at Pamlico, N. C.

In 1932 he became general assistant manager for southern territory. In 1943 he was promoted to manager at Lynchburg, Va. He is vice-president of the life underwriters ass'n. there.

Davis to Assist Traylor

William F. Davis has been appointed assistant manager of Equitable Society for Indiana under Fitzhugh Traylor, Indiana manager.

Mr. Davis returned in February after more than three years in the navy as a lieutenant. He has been with the company in Indianapolis since 1936.

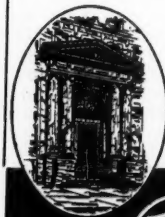
French Honored on Retirement

Harry L. French, retiring general agent of Northwestern Mutual Life at Madison, was honored at a dinner attended by home executives, including Vice-president Edmund Fitzgerald.

J. Alford Billington and Milton E. Curtis, sales supervisor and office manager, respectively, have returned from service and rejoined the Cleveland office of National Life of Vermont.

The best advertisement a business can enjoy is the evident happiness, prosperity and general well-being of the men concerned with it.

Our field men continue to produce all time production records through up-to-date policy contracts geared to meet present day demands for family security.



Bankers Life
INSURANCE COMPANY
OF NEBRASKA

NEWS OF THE COMPANIES

B.A.R.E. Ready for Ordinary Life Operations

Benefit Assn. of Railway Employees has now published its rate book for individual life insurance policies and is prepared to handle this type of business. Until the first of the year B.A.R.E. had confined itself exclusively to the accident and health field, in which its 1945 premiums exceeded \$8 million. Commencing Jan. 1 it started group life insurance and now has \$13 million of such cover in force.

The individual policies are constructed on the American men table at 2½% interest, New Jersey standard. They are participating contracts and at the outset consist of whole life, 20 pay life, endowment at 65 and double protection to 65.

McCombs Heads Life Department

The present field organization will be utilized and it is expected that most of the sales will be to railway employees.

Allan B. McCombs is the life actuary and head of the life department. He has been at B.A.R.E. since last December. Previously for about a year and a half he was with Continental Assurance in group pension work. Before that he was at the home office of Union Central in the claim department five years. His first connection was with Canada Life where he was engaged in accounting work for five years. He is an associate of Actuarial Society of America.

Rates on Occupational Basis

B. A. R. E. premium rates are quoted on monthly, quarterly, semiannual and annual basis and for four types of occupations, designated as Classes 1, 2, 3 and 4. Class 1 rates are shown in the table below, applicable only to employees who have only office duties, and including baggage man, passenger or milk train brakeman, engine or train crew caller, conductor, civil engineer, electrician, stationary boiler fireman whose duties are only traveling, supervising and instructing, supervising foreman, etc. Class 2 includes the next more hazardous occupations, Class 3, even more so, and Class 4, police detective or patrolman, freight switchman and other most risky occupations.

Annual Premium Rates

Age	Whole Life	20 Pay Life	End. at 65	Dbl. Prot. to 65
15	\$15.67	\$26.49	\$18.21	\$23.78
16	16.05	26.97	18.72	24.32
17	16.43	27.44	19.24	24.88
18	16.85	27.96	19.79	25.49
19	17.27	28.45	20.37	26.08
20	17.71	28.96	20.96	26.71
21	18.15	29.47	21.60	27.34
22	18.60	29.99	22.26	27.99
23	19.07	30.52	22.95	28.68
24	19.58	31.06	23.69	29.39
25	20.09	31.62	24.46	30.13
26	20.64	32.20	25.27	30.93
27	21.20	32.78	26.14	31.75
28	21.80	33.41	27.05	32.55
29	22.44	34.06	28.02	33.42
30	23.11	34.73	29.06	34.52
31	23.81	35.42	30.16	35.54
32	24.55	36.14	31.34	36.62
33	25.34	36.91	32.60	37.78
34	26.16	37.70	33.95	38.99
35	27.04	38.54	35.37	40.27
36	27.95	39.39	36.88	41.62
37	28.92	40.29	38.52	43.06
38	29.94	41.23	40.28	44.56
39	31.02	42.21	42.17	46.15
40	32.16	43.23	44.15	47.82
41	33.36	44.29	46.29	49.60
42	34.64	45.43	48.61	51.47
43	35.96	46.59	51.13	53.43
44	37.38	47.82	53.88	55.51
45	38.87	49.11	56.88	57.70
46	40.45	50.46	...	60.04
47	42.11	51.89	...	62.50
48	43.87	53.39	...	65.11
49	45.73	54.96	...	67.85
50	47.69	56.62	...	70.75
51	49.79	58.39	...	73.83
52	51.99	60.26	...	77.06
53	54.33	62.24	...	80.48
54	56.80	64.34	...	84.08
55	59.42	66.56	...	87.90
56	62.20	68.94	...	...
57	65.14	71.48	...	...
58	68.27	74.18	...	...
59	71.60	77.07	...	...
60	75.12	80.16	...	...

Mutual Life Has Big Half Year Gains

The biggest volume of new business for any first half-year since 1935, a further increase in insurance in force and a better mortality showing are reported by Mutual Life.

New life insurance sales for the six months amounted to \$146,465,468, an increase of 47% over 1945. Insurance in force stood at \$3,867,091,343, an increase of \$118,289,782 over the figure on June 30, 1945. Total terminations of policies for the first half of 1946 were 16% higher in number, and 7% more in amount, than in the first half of last year.

The mortality ratio for the first six months this year was 53.7, or 8.2 points lower than in the like 1945 period.

Policy benefits in the first half of this year amounted to \$53,642,931, or \$591,094 more than in the first half of 1945. Of this amount, \$24,716,018 represented death benefits, while the remaining \$28,926,913 represented benefits to living policyholders, including dividends.

Investments in government securities totaled \$902,871,759, or 49% of assets.

Assets at June 30 were \$1,842,296,980, an increase of \$43,911,969 since the beginning of the year.

Merger of Fidelity of Md. Into United Is Completed

All formalities have now been completed in connection with the consolidation of Fidelity Life of Baltimore with United of Chicago. Fidelity had close to \$7 million life insurance in force, all industrial, comprising a weekly debit of a little more than \$4,000 with \$1 million assets.

United purchased the controlling interest in Fidelity early this year and since that time agents of Fidelity have been selling United weekly hospital policies and have placed a \$1,200 debit on top of the Fidelity debit. Officials of United predict that the debit will be doubled in size within one year.

President G. K. Bashore of Fidelity expects to remain with United for about a year and Secretary N. W. B. Janetzke expects to remain permanently with United.

United Services Life Is Preparing to Resume

United Services Life of Washington, D. C., which discontinued the issuance of new business Dec. 7, 1941, because of the unpredictable war mortality, is now preparing to resume operations. It expects to get under way again by Aug. 1. United Services insured only officers of the six uniformed services and members of their immediate families. Thomas F. Bourke is executive vice-president.

There was no war clause in the contract of United Services Life. During the four years 1941-45 it paid claims amounting to \$1,525,781 of which \$1,314,329 or 86% represented war losses.

However, its total resources increased from \$676,991 in 1941 to \$2,269,962 in 1945; its income increased from \$509,760 to \$818,050 and its legal reserve increased \$421,121 to \$1,902,178. It set up special reserves at \$75,760 for possible claims not completed and \$12,864 for policyholders reported missing or missing in action.

There was paid \$636,737 on account of policyholders killed in action; \$217,500 prisoners of war; \$307,500 airplane combat and \$152,592 other deaths resulting from war. The number of war death claims was 322.

At Dec. 31, 1945, capital was \$100,000 and net surplus \$126,002.

The management states that because of the allotment method of collecting premiums and the fact that officers seldom allow policies to lapse, the amount

of insurance in force decreased only by death losses during the war, plus less than .7% through lapses or surrenders.

All bonds owned are rated A or better by the two principal rating companies, no interest or principal has ever been defaulted and there are no mortgage foreclosures.

Expenses during the war were reduced by more than half.

Life of Va. Having Big Year

Life of Virginia, in marking its 75th year of operations, has increased insurance in force for the first six months of this year by about \$70 million, according

to President Robert E. Henley. This gain is considerably larger than has been made previously for any full year of company operations.

Florida Assessment Merger

American Benefit, assessment company of Orlando, Fla., recently took over Federal Mutual Life of Jacksonville. At Dec. 31, 1944, American Benefit had assets \$111,703, cash income \$325,309, claims paid \$143,520, total disbursements \$297,084, insurance in force \$5,453,987.

At the same date, Federal Mutual had assets \$36,486, cash income \$90,117,

OPPORTUNITY

We have excellent openings in the following territories for General Agents and consistent producers:

Arizona	Missouri
Illinois	Nebraska
Indiana	Ohio
Iowa	Oklahoma
Kansas	Texas
Maryland	Virginia
District of Columbia	

You will be especially interested in our Complete Coverage Package Plan. Also our unique Miracle Letter Lead system. And, above all else in knowing how you can create \$1,000 in renewals the second year by averaging only three Package Plan sales weekly and how in five years you can have an income that will make you financially independent. Correspondence Confidential.

HUGH D. HART

Vice-President and Director of Agencies

Illinois Bankers Life Assurance Company
MONMOUTH, ILLINOIS

WANTED!

STATE AND ASSISTANT STATE MANAGERS

A large and well-established Life Insurance Company, operating throughout the United States, has openings for men with managerial experience who can earn between \$5000 and \$10,000 per year. Excellent opportunities in the following states:

INDIANA	ARKANSAS	LOUISIANA
PENNSYLVANIA	MISSISSIPPI	GEORGIA

Send photo and give age and experience in first letter—all inquiries will be considered confidential. Write Box E-56, THE NATIONAL UNDERWRITER, 175 West Jackson Blvd., Chicago, Illinois.

claims paid \$60,234, total disbursements \$89,581, insurance written, \$437,558, insurance in force \$1,920,000.

J. C. Kuykendall, president of American Benefit, is also president of National Benefit of Tampa.

National L. & A. Breaking All Production Records

Gaining insurance in force at the rate of more than \$200 million a year for the first six months of 1946, National Life & Accident passed \$1½ billion total life insurance in force on June 30 and appeared to be breaking all records on production, according to E. B. Stevenson, executive vice-president.

Total gain in force for the six months

amounted to \$111,095,000, of which one half was ordinary. Ordinary in force is now well over \$500 million. Total new business for the first half of 1946 was \$77,971,000 ordinary and \$103,571,000 industrial and total assets passed \$200 million during the same period.

It was pointed out that whereas it took 44 years for the company to reach its first billion in force, it has now required only 3½ years to acquire an additional half billion, and also 43 years were necessary to build the first \$100 million of assets, and the second \$100 million has been added in four years.

United Mutual New Home

United Mutual Life of New York, the Negro company, has acquired an office

building at 310-16 Lenox avenue for use as its home office. The premises are being modernized. United Mutual has

\$12,754,364 insurance in force and assets of \$1,004,733. The surplus is \$327,580.

AMONG COMPANY MEN

Constitution Life Has New Official Lineup

Maytor H. McKinley has been elected chairman and T. Kirk Hill, president of Constitution Life of Los Angeles. This company is affiliated with the Utter-McKinley Mortuaries. They owned Postal Union Life, which was merged last year with Constitution Life.

Constitution Life was organized by Victor F. Pettric and he has been the president.

The new first vice-president is G. M. Gannon; vice-presidents are O. S. Weide and Nathaniel Seal; secretary, H. A. Reeve, and assistant secretaries Ruth L. Norton, Elsie E. Smith and Goldie James.

Mr. Pettric raised the \$500,000 capital and surplus for Constitution, and that company following its licensing took over Postal Union Life of which Mr. McKinley was president. Mr. McKinley had purchased from the W. R. Malone widow and son the controlling stock interest of Postal.

Differences arose between Mr. McKinley and Mr. Pettric, it is understood. The new officers are either former employees of Postal Union Life or of Utter-McKinley Mortuaries.

Mr. Pettric has asked the California department to reserve a name for another company he wants to start.

Dodson Ohio Nat'l V.P. and Director

CINCINNATI—M. R. Dodson, actuary of Ohio National Life since 1944,



M. R. Dodson

has been elected vice-president and director. Starting in the actuarial department in 1928, he became manager in 1932, assistant actuary in 1934 and associate actuary in 1942.

Mr. Dodson attended University of Michigan, graduating from the latter with a B.S. degree in 1932. He became a fellow of both the American Institute of Actuaries and the Actuarial Society in 1936. He has been a lecturer in insurance at the University of Cincinnati since 1937.

Albert N. Beardshear has resigned as secretary-manager of the Newark (O.) Chamber of Commerce, effective Sept. 1, to join the personnel and promotion department at the home office of Ohio National Life.

Alliance Expands Reinsurance Setup

Due to the increased activity of Alliance Life in the reinsurance business, several changes and promotions have been made in the home office personnel.

Joseph McGauley, who has been with Alliance for 14 years and who was formerly reinsurance supervisor, has recently returned from two years with the armed forces in the European area. He has been made reinsurance manager, in complete charge of the office details of the reinsurance department.

Fred Smith, associated with the company for 19 years, who has been reinsurance supervisor, becomes chief under-

writer of both agency and reinsurance business.

Ray E. Button, who has been with Alliance 28 years, the last 24 of which have been devoted directly to reinsurance, has been made reinsurance director. Mr. Button continues in charge of reinsurance field operations, as well as general supervision of the reinsurance division. He will continue to devote a great deal of his time in the field, maintaining close contact with reinsurance clients.

Milne Named Actuary of Philadelphia Life

John L. Milne, newly elected actuary of Philadelphia Life, has been executive assistant to the president of Boston Mutual.



J. L. Milne

the Pennsylvania legislature.

Martin Returns to High Post with Great-West

Charles C. Martin, who has been named eastern agencies superintendent of Great-West Life, formerly was agent-



CHARLES C. MARTIN

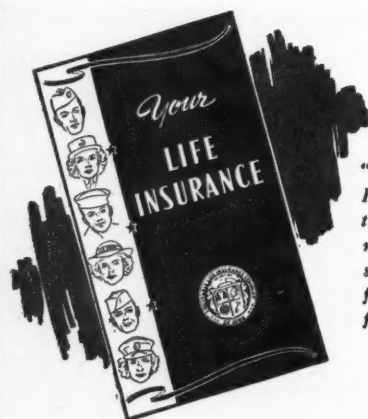
cy superintendent of Northern Life of Canada. Mr. Martin returns to Great-West after an absence of five years.

Jefferson Standard Promotions

R. B. Taylor, formerly superintendent of agencies, has been promoted to assistant agency manager of Jefferson Standard Life. He started with Jefferson Standard in 1928 following graduation from University of North Carolina.

Jack S. Causey, formerly agency assistant, has been promoted to superintendent of agencies. He went with Jefferson Standard in 1929 after graduation from Davidson College. He was in the army air corps during the war.

W. L. Seawell, who has been in the



"The new booklet, *YOUR LIFE INSURANCE*, is just what returning servicemen want and need. Please send me a supply so that I may give copies to friends now being separated from the services."

And so, in substance,

have read numerous letters from our men returning from the armed forces, following their receipt of the Company's new booklet on National Service life insurance.

Information and advice, if sufficient and impartial, is always appreciated. That is why the life underwriter leaving the services, and his friends, regard *Your Life Insurance* so highly. This booklet concerns itself with only one subject: the returning serviceman's life insurance problems. It clearly outlines the benefits of National Service life insurance and urges the serviceman to retain and convert to a permanent plan his government policy, and it tells him how to do that with a minimum of effort.

EQUITABLE LIFE OF IOWA

Founded 1867

Home Office

Des Moines

WE, TOO, ARE IN THE PARADE!

June Production Was 175% of the Same Month A Year Ago!

We still have room for a few additional qualified producers who can operate as direct General Agents.

Attractive General Agency territory open in Missouri, Arkansas, Iowa, Kentucky, Louisiana and Mississippi.

For further information write to J. DeWitt Mills, Superintendent of Agents

MUTUAL SAVINGS

MISSOURI'S FIRST WHOLLY MUTUAL LEGAL RESERVE COMPANY

Life Insurance Company

812 Olive Street

Allen May, President

St. Louis 1, Mo.

and as-
is \$327,-

agency department since last March following military service, has been promoted to agency assistant. Before the war he was cashier at Macon, Ga.

Kaiser Appointed Mutual Life Assistant Counsel

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Arthur O. Kaiser has been appointed assistant counsel of Mutual Life. He joined the company in 1938 after graduating from Columbia law school. In his new position Mr. Kaiser will be associated with Louis W. Dawson, general counsel. He served as an officer in the navy during 1943 and 1944. He is a member of the New York County Lawyers Association.

Eurich New Penn Mutual Trustee

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of Boston

Dr. Alvin C. Eurich, Stanford University vice-president and one of the nation's outstanding educational leaders, has been elected a trustee of Penn Mutual Life. During the war Dr. Eurich made an impressive record in various administrative and advisory posts with military and civilian government agencies. Recently he was named Pacific Coast chairman American Council on Education.

Through the investment of policy funds policyholders today have at work in the national economy a stake six times as great as at the end of the first war.

SALES MEETS

Franklin Men Enjoy Outings

The first of three regional agency conventions of Franklin Life got under way at the Brighton Hotel, Atlantic City, Monday.

The midwestern group will gather at the Stanley Hotel, Estes Park, Colo., July 22, while the western division will meet at San Francisco July 29 and proceed to Sonoma Mission Inn for their festivities.

With the exception of a short business session at the opening luncheon, the entire four-day period of each convention will be left free for recreation. Commissioner Kavanaugh of Colorado will address the luncheon meeting of the midwestern group.

Bankers Group Men Talk Changes

Bankers Life of Des Moines held a three-day regional group managers conference at the home office. Those attending met with general officers and home office group department personnel to discuss technical and sales matters. Among these were application of the group permanent whole life contract to the pension and profit-sharing fields when supplemented by an age 65 conversion clause; life and casualty coverage down to 25 lives in states where this type of contract is permitted; and numerous hospital and surgical cover changes. These included a new surgical schedule to more nearly meet current surgical fees, a liberalized provision for hospital "extra" charges, a plan for providing insurance covering cost of doctor's calls at a reasonable premium outlay, and a low-cost provision for diagnostic x-ray and laboratory charges off hospital premises. Membership in the President's Premier Club was extended to 174 producers for the year 1945-46.

Detroit Agency Feted

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Members of the Detroit agency of Reliance Life were feted at a celebration in Detroit in recognition of paying for \$5 million during a 12 months period. J. N. Jamison, executive vice-president, had promised them the celebration if they reached their goal. Others attending from the home office were

T. J. McKenna, vice-president in charge of underwriting; J. F. Johns, vice-president in charge of agencies, and B. L. Sichelstiel, assistant secretary in charge of A. & H.

Ray Wertz, Detroit manager, was toastmaster at the events which included a three-hour panel conducted by the home office men, a cocktail hour, dinner and entertainment.

Arnold Host to Star Agents

O. J. Arnold, president of Northwestern National, is host to two parties of agents at his island in Basswood Lake on the Minnesota-Ontario border. One group consists of leaders of October, 1942, whose fishing party was deferred because of the war. The second party consists of leaders of October, 1945.

National Guardian Plans Parley

National Guardian Life will hold its first agency convention since the war at Madison, Sept. 16-17.

POLICIES

Massachusetts Expands Payor Clause

In Massachusetts life companies now may include in policies issued on the lives of minors a provision for waiver of premiums if the policyholders become totally and permanently disabled. This is in addition to the provision for waiver of premiums in event of death of the policyholder which formerly was permitted.

State Capital Revises Rates

State Capital Life of North Carolina has increased premiums for endowments, limited payment life and single premium policies. Reserves and cash values are unchanged. Examples of the new rates are:

Age	End. Age 85	20 Yr. Pay Life	20 Yr. End.	End. Age 60	End. Age 65
10	\$2.41	\$19.28	\$42.08	\$13.90	\$12.84
15	13.70	21.13	42.24	15.97	14.43
20	15.18	23.03	42.44	18.70	16.87
21	15.51	23.40	42.49	19.35	17.20
22	15.90	23.79	42.54	19.98	17.74
23	16.26	24.19	42.58	20.72	18.29
24	16.67	24.59	42.61	21.44	18.88
25	17.00	24.98	42.63	22.15	19.43
26	17.32	25.36	42.65	22.84	20.01
27	17.62	25.73	42.67	23.51	20.61
28	17.90	26.09	42.68	24.16	21.22
29	18.17	26.44	42.69	24.79	21.84
30	18.43	26.78	42.69	25.40	22.47
31	18.68	27.11	42.69	26.00	23.11
32	18.92	27.43	42.68	26.58	23.76
33	19.15	27.74	42.66	27.15	24.42
34	19.37	28.04	42.63	27.70	25.09
35	19.58	28.33	42.59	28.23	25.77
36	19.78	28.61	42.54	28.74	26.46
37	19.97	28.88	42.48	29.23	27.16
38	20.15	29.14	42.41	29.70	27.87
39	20.32	29.39	42.33	30.15	28.59
40	20.48	29.63	42.24	30.58	29.32
41	20.63	29.86	42.14	31.00	30.06
42	20.77	30.08	42.03	31.40	30.81
43	20.90	30.29	41.91	31.78	31.57
44	21.02	30.49	41.78	32.15	32.34
45	21.14	30.68	41.64	32.50	33.11
46	21.25	30.86	41.49	32.84	33.89
47	21.35	31.03	41.33	33.17	34.67
48	21.45	31.19	41.16	33.49	35.46
49	21.54	31.34	40.98	33.80	36.25
50	21.63	31.48	40.79	34.10	37.04
51	21.71	31.61	40.59	34.39	37.83
52	21.79	31.73	40.38	34.67	38.62
53	21.86	31.84	40.16	34.94	39.41
54	21.93	31.94	39.93	35.20	40.20
55	22.00	32.03	39.69	35.45	41.00
56	22.06	32.11	39.44	35.69	41.80
57	22.12	32.18	39.18	35.92	42.60
58	22.17	32.24	38.91	36.14	43.40
59	22.22	32.29	38.63	36.35	44.20
60	22.26	32.33	38.34	36.55	45.00

Ease Non-Medical Rules

The non-medical limits for volume of insurance are increased to \$5,000 for males and \$3,000 for females in Standard of Oregon.

The family income rider can now be written non-medically on male lives either as new insurance or as an addition to a policy already in force. The 10 year rider is considered as \$500 insurance and the 15-year and 20-year riders as \$1,000 insurance in determining limits. Thus for new insurance the maximum non-medical limit is \$3,333 when the 10-year rider is included or \$2,500 when the 15 or 20-year rider is included. Amounts of less than \$2,500 cannot be written because the minimum limit for the rider is \$25.

The amount that can be written non-medically within these limits will also depend upon the amount of non-medical

the applicant already owns in that and other companies.

The upper limit of insurance owned in the company, after which a medical examination will be required irrespective of the amount of non-medical in force, is increased from \$15,000 to \$20,000.

Double Indemnity for Juveniles

Farmers & Traders Life now permits addition of double indemnity benefits to juvenile policies on and after an insured attains 10.

On the ordinary endowment at age 85 plan, double indemnity cannot be added prior to the policy anniversary nearest age 15, because on this plan the death benefit is graded up to \$1,500 at age 15, and the company will not add double indemnity before the death benefit has reached its full ultimate amount.

The addition of double indemnity benefit must be made as of a policy anniversary date, but the company will allow a period up to four months after the anniversary date within which the benefit will be added. The company will require a short form medical, to be completed at the expense of the insured.

For all juvenile plans except 20 pay life and 20 pay endowment at age 85, the double indemnity premium rate will be \$1.50 annually for all ages at issue

and regardless of when the benefit is added.

Increases Annuity Rates

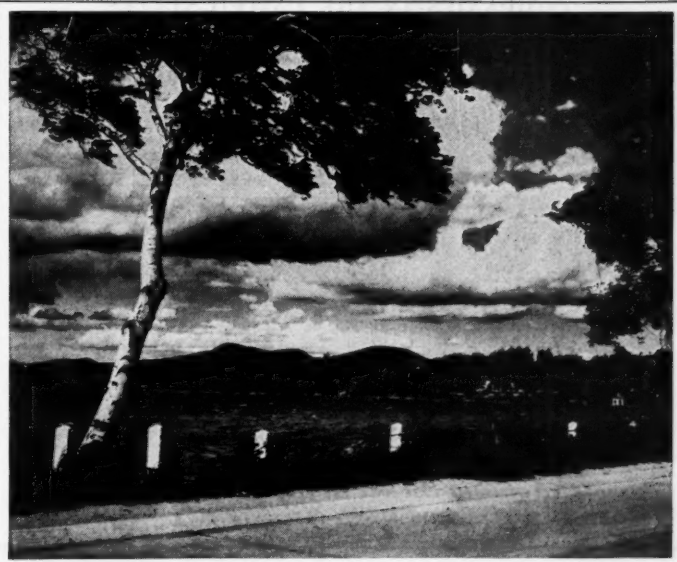
Manufacturers Life of Canada is increasing its single premium and annuity rates. It writes a large amount of annuity business. Owing to the lower interest yield it cannot afford to continue the existing rates for single premium contracts.

Tighten Monthly Pay Rules

Provident Life of Bismarck has tightened its rules governing monthly business. Minimum monthly premium shall be \$8. On new business the agent must collect at least one monthly premium and remit it with the application. No first year commission will be paid until three monthly premiums have been received, and this applies to salary savings as well as to regular monthly policies. If the policy lapses before three monthly premiums have been received and the premiums received are not sufficient to cover the cancellation charge of \$2 less mortality costs, less the amount paid, the difference will be charged to the agent on non-medical business and on medical business the charge will be \$6.

All policies already in force that do not

THERE'S LIFE IN THE BERKSHIRES



PONTOOSUC LAKE

Courtesy of Ewing Galloway

Pontoosuc Lake, about three miles from the heart of the city of Pittsfield, is one of the centers for outdoor life in the Berkshire Hills. During the summer, it offers excellent facilities for swimming and boating, and its shores abound with charming camp and picnic sites, shaded bridle paths, and pine-needled lanes beckoning the hiker. The finest drives in New England, including the beautiful Mohawk, Taconic, and Berkshire Trails are direct routes to its shores.

The BERKSHIRE LIFE INSURANCE COMPANY, now in its 95th ANNIVERSARY YEAR, endorses all active outdoor sports for the recreational and healthful benefits derived from them. Its organized estates plan, taking care of tomorrow's problems, enables the assured to enjoy to the utmost these pleasant, in-the-open activities, free from worry about the responsibilities of the future.

Berkshire

LIFE INSURANCE COMPANY

INCORPORATED 1851

HARRISON L. AMBER, President

PITTSFIELD, MASS.

— 95th ANNIVERSARY YEAR —



have a monthly premium quoted in the contract will be subject to the same rules as new applications.

New Manhattan Life Policy

Manhattan Life has adopted a new juvenile educational and endowment annuity policy which has been approved so far in New York and Ohio. It is described as more than a juvenile policy, more than an endowment annuity policy and more than both of them combined.

The new policy insures a college education. Regular educational payments are made during the four-year college period. The face amount of the plan stays at the original figure and the face amount is paid in addition to educational payments if death occurs. Premiums drop sharply at the policy anniversary nearest age 20; in some cases as much as 75%. The plan continues as an endowment annuity.

The plan provides cash values after

three years in force. At age 65, or earlier if desired, continuing monthly income checks provide for retirement.

Now Covers Air Travel for D.I.

Texas Life now grants full double indemnity to fare-paying passengers on regularly established commercial air lines.

ACCIDENT

H.&A. Conference New Name Still Very Much in Doubt

The question as to what is to be the future name of the Health & Accident Underwriters Conference is still very much up in the air, on the basis of the ballots so far received in the vote as between American Disability Insurers

Assn. and Assn. of Accident & Health Insurance Companies, the two proposed names which were submitted for vote of the membership at the annual meeting of the conference in Cincinnati.

So far, the two names are practically running neck and neck and there seems to be very little probability that either one will receive the two-thirds vote which apparently would be necessary for selection. The actual change would have to be made by a constitutional amendment, which under the constitution of the conference requires a two-thirds vote. If one name should receive a decided majority, an amendment that might be submitted at the next annual meeting to adopt that as the new name probably would be able to muster the required two-thirds, but if the margin continues as small as it is at the present time, there might be a serious question about it.

Limited Policies Real Target of Zone 4 A.&H. Ruling

At the conference in Detroit last week in regard to the requirement of zone 4 of the National Assn. of Insurance Commissioners that accident and health companies submit detailed figures as to loss ratios under different policy forms, it developed that the chief point in the minds of the proponents was as to whether limited accident and health policies are doing the job they are supposed to do for insured, and there were some indications that if the commissioners were able to secure the information desired in regard to limited policies, the broader filing requirement might be dispensed with. It also became apparent that when the requirement was promulgated, the commissioners supporting it had no idea of the tremendous volume of work which would be required on the part of the companies in order to comply with it.

Some of the company men expressed concern over the setting up of certain requirements by the various zones. Under such procedure, it is quite possible that the different zones would set up different requirements, each of which, of course, would involve the compiling of figures on a nationwide basis. It was suggested that if some committee of the N.A.I.C. should undertake to secure information of substantially the character desired, zone 4 would be entirely willing to waive its requirements but the experience of the past year in connection with the consideration of accident and health questions by N.A.I.C. committees does not augur any too well for speedy action along that line.

Provident L. & A. Regional Rallies

The railroad accident department of Provident Life & Accident held two regional conferences at Chicago and Memphis.

About 36 field men and home office officials met in Chicago for the first meeting of the midwestern department since the war. The southern meeting at Memphis was attended by 46 field men and home office representatives.

An intensive two-day study and discussion program covering prospecting methods, sales presentations, policy contract analysis, conservation, underwriting, personal advertising and prompt claim service was participated in by all present at both conferences.

E. H. O'Connor, managing director Insurance Economics Society, was the featured speaker at both meetings.

The railroad accident department of Provident is presently having its greatest production record in history.

Hold to D. C. Blue Cross Costs

WASHINGTON — Subscribers to Group Hospitalization, Inc., the Blue Cross plan, have been informed by President Joseph H. Himes that rising hospital costs here will not result in reducing G.H.I. hospitalization benefits.

"No increase in our subscribers' premiums is contemplated for the time be-

ing," said Himes. "If there is going to be any increase in premiums at any later date, it will be coupled with increased hospital benefits to our members."

Himes pointed out GHI has contracts with hospitals under which GHI gets certain rates, which, he said, could not be changed for "a year or 13 months." He said GHI has been studying the hospital cost situation some time and will probably confer with hospital representatives shortly.

"We have operated conservatively and we have a fair surplus," he said, "so we should not have any trouble agreeing on what will take care of our first obligation—our subscribers—and still see that the hospitals receive fair payment for their services."

NEW YORK

OVERSUBSCRIPTION EXPECTED

Under the leadership of John S. Sinclair, executive vice-president of New York Life, the insurance field has contributed more money, to date, to the Greater New York Fund's 1946 campaign than it gave in the entire 12 months of 1945.

The insurance field has contributed 85% of quota.

The life agencies committee, headed by Louis W. Sechtman, Aetna Life, leads the five insurance committees in quota percentage, having achieved 116%.

The life companies' committee has contributed 82% of quota. James A. McLain, president of Guardian Life, is chairman.

FAVORS CONTRIBUTION

An agent who has written considerable group and pension trust business voices the belief it is desirable to have the program on a contributory basis. Where the employees do contribute, this man thinks, they have a greater interest in it and appreciate what it will mean to them. Sometimes a concern is willing to have a pension plan but it does not feel that it can afford to pay the entire premium, and the employees have come forward and have voted to pay a certain share.

LUCE WITH H. L. JAMISON

Arthur W. Luce, Jr., has joined Herbert L. Jamison & Co., 111 Fulton street, New York, as life department manager and to assist Mr. Jamison in survey and audit work.

Mr. Luce has been assistant life department manager at the 55 John street office of Travelers. He is a graduate of the Travelers home office life school and of Aetna Life home office casualty school. He was a second-class petty officer in the navy during the war.

BIG GAIN FOR FRASER

John M. Fraser agency of Connecticut Mutual, New York, paid for \$1,133,200 in June against \$639,830 in June, 1945. The total for the year is \$7,688,470 against \$4,015,764 last year.

MAY SALES IN N. Y. CITY

The New York City Life Underwriters Association estimates sales of ordinary in New York City for May totaled \$119,241,000, which compares with \$76,466,000 reported for May last year.

A luncheon honoring Raymond F. Thorne on his 5th year as general agent of Berkshire Life's oldest agency was attended by Harrison L. Amber, president, and the entire New York agency organization which he heads.

Passes \$250 Million Mark

Columbian National Life has passed the \$250 million mark in insurance in force.

Great Northern Life has increased capital from \$319,000 to \$500,000 by stock dividends. Par value continues at \$10.

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HOME OFFICE
CHICAGO



FIELD BUILDING
ILLINOIS

"As Faithful as Old Faithful"

ONE OF THE LOWEST NET COST
COMPANIES IN THE UNITED STATES

Whole Life (Paid Up at 85)
Minimum \$2,500 — Maximum \$100,000
Age Limit 5 to 60

Age	Annual Premium Per \$1,000	20 Year Annual Net Cost Per \$1,000 Present Dividend Scale (Not Guaranteed)
5	13.35	4.53
6	13.27	3.98
7	13.29	3.63
8	13.40	3.43
9	13.56	3.32
10	13.75	3.25
15	15.02	3.10
25	18.56	2.81
35	24.30	3.21
45	34.25	6.59

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Security Since The Turn
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ATLANTIC LIFE INSURANCE COMPANY

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CHICAGO

NEED PATIENCE WITH GP's

An agency executive, in speaking of the recruiting of men back from service, said that too much stress should not be laid on such agents getting into production easily and in a short time. If they had been in war service for some time they have not had the training that is necessary for business life. As this official put it: "Our general agents have employed a number of men now 24 years of age. They went into service when they were 20 years old and they are still 20 years old. They have not developed into business men. They have not had to work as business men have to work. They need to have much instruction and help. When they get their gait and have the ability they move along successfully."

J. W. LAFFEY OPENS OFFICE

J. W. Laffey, who has been assigned to Chicago by State Mutual Life as head of its group department there, is establishing offices at 39 South La Salle street.

EMPLOYEE BENEFIT MAGAZINE

Charles D. Spencer & Associates has put out the first issue of "Employee Benefit Plan Review," a quarterly publication containing articles by leaders in pension trust, profit-sharing and group insurance. Among Chicagoans featured in the maiden issue are John O. Todd, Northwestern Mutual general agent; C. Rigdon Robb, Northwestern Mutual; Herman A. Zischke, Union Central manager; Louis Behr, Equitable Society general agent; James F. Ramsey, Connecticut Mutual general agent, and Walter N. Hiller, Penn Mutual.

RECORDS

Home Life, N. Y.—Paid business for the first half year exceeded that for any half-year period in its history, exceeding by 60.9% the previous all-time high recorded in the first half of 1945, and outstripping its yearly production for all but four years. June was 72.5% ahead of June, 1945, and second only to the recording breaking May production.

Colonial Life—Gain in force for the first five months is \$3,592,127 while in 1945 the gain for the entire year was \$3,358,539.

Connecticut Mutual—A 76.8% increase in new business for the first half is reported. Sales were \$109,978,916 in the first six months compared with \$62,217,332 for the same period in 1945. This is the largest half year's production in the 100-year history of the company.

During the same period insurance in force increased by \$86,589,041 bringing the total to \$1,468,136,605, the largest recorded gain for a six month period.

Southwestern Life—Reports a 43% gain in paid-for business for the first six months of 1946. The total for the period was \$44,505,000. Insurance in force jumped \$31,200,000 during the same period, the largest such gain during any comparable period in the organization's history.

Northwestern National—A jump of 19% in average size policy was recorded in the first half year. Average denomination of \$3,164 so far in 1946 compares with \$2,650 in 1945, and \$2,558 in 1944.

Total new ordinary business of \$40,663,529 for the first half of 1946 was up 51% over the corresponding period of last year, and 18% over the best previous six-months total of \$34,428,902, recorded in 1936.

New business in June beat all records with 2,077 applications for \$7,780,013. It exceeded by \$116,000 the previous high of October, 1945, and marked the fifth consecutive month which has exceeded a year ago.

Business Men's Assurance—June sales were the second largest in history and June was the 65th plus month. Paid life insurance in June was \$7,565,765. Translating A. & H. sales into equivalent life insurance amounts, the total production was \$14,223,638. For the year to date the total new paid life insurance is \$36,093,175, which is 53.1% ahead.

Franklin Life—Sales volume during the first six months exceeded \$73 million, a gain of \$41 million or 128%. Insurance in force increased \$41,186,292 to \$395,441,287. Assets increased at the rate of 128% over 1945, and now exceed \$86 million. Total premium income showed a gain of almost \$6 million or 100%.

First year cash premium income showed an improvement of 288%.

Bankers Life, Neb.—For the sixth consecutive month a production record was set with new business 55.3% ahead of any previous June.

Issued and paid production for the first six months is 83.5% ahead of the corresponding period in 1945.

Union Mutual Life—Paid business for the first six months showed an increase of 25%, the gain being the greatest for any such period in history.

Berkshire Life—Paid life insurance for six months of 1946 increased 29% over the corresponding period of 1945. The company has had 40 consecutive plus months. Insurance in force June 30, amounted to \$287,021,294, a gain for the year to date of \$13,591,211 or 4.97%.

Philadelphia Life—Showed an increase in the first six months over the same 1945 period of more than 270% in paid-for business, and so far this year has exceeded by over \$1 million the 1945 paid-for total. Sam Weiss of Philadelphia has turned in the year's outstanding production mark to date by getting paid-for business in May and June alone totalling \$1,086,254.

Federal Life—It has been customary to have a special campaign for new business in June, the anniversary month of President Cavanaugh. June written life business exceeded \$1,750,000, the largest volume in history for any month. Substantial increases also were made in accident and health volume in the period. Federal also recently passed the \$100 million in force mark.

Occidental, Cal.—Twenty agencies each paid for more than \$1 million of ordinary in the first five months of 1946, the 40th anniversary year. Top producing unit through May 31 was H. M. Leisure agency, Los Angeles, with \$8,717,193 paid for. Of the 50 leading agencies for the first five months, 47 paid for more than a half million of ordinary each, and three were just a few thousand under.

MANAGERS

Ore. Managers Fight Hike in Medical Examination Fee

PORTLAND, ORE. — A proposed 50% increase in fees charged by Oregon doctors for life insurance medical examinations is being strongly opposed by the Life Insurance Managers Association of Oregon in a state-wide campaign.

An attempt is being made through the Oregon State Medical Association to adopt a resolution whereby the \$7.50 fee, charged by some Medford doctors for two or three years, will be extended to all life insurance examinations made in Oregon, Thomas J. Binder, Equitable of Iowa, chairman of the managers' medical fee committee, reports.

Oregon would be the first state with such an increase and it is feared it would spread to other states if allowed to become effective here.

The committee of the managers' association includes Wilbur K. Hood, Mutual Life, Arthur M. Weaver, Sun Life of Canada, and Mr. Binder.

A survey is being made to determine how many doctors already are charging more than the \$5 fee which for many years has been the usual charge.

L. A. Managers Hold Golf Outing

The Life Insurance Managers Association of Los Angeles attracted nearly 100% membership to its "Play Day" and final meeting of the season. The big attraction was a golf tournament won by Robert L. Walker, general agent Lincoln National Life, who stroked a low gross 78 to take top honors. Buryl Blevens, general agent Occidental Life of California, took second with a low net of 70; William Barbar, Sun Life of Canada, took the blind bogey prize. Honors for a minimum of putting strokes went to W. M. Hammond, general agent Aetna Life, and booby prize was foisted on Cecil Frankel, agency manager Equitable Society. Concluding the day's activities was a dinner.

Mrs. Helen Hyde, Farmers & Bankers Life, has been elected president of the **Wichita Life Cashiers Club**, succeeding Mrs. Fern Stalker.

United Life and Accident Insurance Company

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HEALTH BENEFITS . . .

\$200 for 50 months beginning 30 days from date of total disability from sickness.

Non-cancellable — Non-proratable.

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\$200 for 50 months from first day of total disability.

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HOSPITAL BENEFITS . . .

\$200 for 3 months from first day of total disability, either by accident or sickness.

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Double, Triple Indemnity—Waiver of Premium.

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WILLIAM D. HALLER, Vice Pres. and Agency Mgr.

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Assistant General Agent in Southern California

This is an extraordinarily inviting opportunity for the man between age 32 and 45 who can meet the requirements of character and industry. Qualifications must include a good educational background and successful field and managerial experience. Those interested should write in detail giving an outline of past experience, personal history and a recent photograph.

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NEWS OF LIFE ASSOCIATIONS

Chicago Committee Heads Appointed by Cook

Paul W. Cook, president of the Chicago Association of Life Underwriters, has appointed these committee chairmen: Advisory council, G. S. Brown, Penn Mutual; agents' compensation, G. L. Grimm, New England Mutual; bulletin, J. M. Tibbetts and G. L. Grimm, New England Mutual; business practice, E. S. Rappaport, Pacific Mutual; by-laws, H. R. Schultz, Mutual; community fund, N. R. Brown, Prudential; cooperation with attorneys, credit men, C.P.A.'s, trust companies and chambers of commerce, Nelson D. Phelps, Northwestern Mutual; education—sales forum, W. D. Davidson, Equitable Society; finance, H. R. Schultz, Mutual; legislation, R. R. Reno, Jr., Equitable Society.

Library, Louise Scott Konsberg, Massachusetts Mutual; membership, George Fullman, Metropolitan, and Henry C. Hunken, Connecticut Mutual, co-chairmen; music, Wheeler Tracy, New York Life; national convention attendance, Wheeler Tracy, New York Life; program, R. W. Frank, State Mutual; publicity—public relations, Isaac Curtiss, Travelers; reception, E. J. Herrick, Continental Assurance; Red Cross, R. S. Edwards, Aetna Life; resolutions, Wheeler Tracy, New York Life; regional meetings, Maurice Levy, Metropolitan, and A. J. Perlmutter, Prudential, co-chairmen; sales congress, C. E. Smith, Northwestern Mutual; speakers' bureau, H. A. Franke, Ohio State.

Issuing Illinois Directory

The directory of the Illinois Assn. of Life Underwriters has gone to press and will be ready for distribution around Sept. 1. It will contain names, addresses

and company affiliation of nearly 3,400 Illinois life men, the highest membership in the history of the association, and a history of the state association since its organization in 1925, written by one of the early presidents, Charles F. Axelsson of Chicago.

Minneapolis.—Jessie Kershaw has been elected president of the women's division; Frances Christian, vice-president; Mrs. Annette Worwa, secretary, and Irene William Moore, treasurer.

Hutchinson, Kan.—At the annual picnic meeting Bert A. Hedges, Business Men's Assurance, Wichita, spoke on "The Wives' Part in Life Insurance Selling." New officers are: Keith Hayes, Mutual Life, president, succeeding Robert V. Britton; Oliver F. Stone, Prudential, vice-president, and Bert S. Berry, Travelers, reelected secretary.

LaPorte, Ind.—Otis F. Shadel, Michigan City, is the new president; Dave Lingard, LaPorte, vice-president, and Marvin Reed, Michigan City, secretary.

Nebraska Panhandle.—Paul Schlachte-mier is the new president. Jack Wheat, Jr., is vice-president, Marvin Marquardt is secretary-treasurer, and Ivan Childs, national committeeman. National quality awards were given to 11 members and two new members were taken in. A committee was appointed to arrange for a picnic in August.

Oklahoma City.—Harvey G. Kemp, general agent of John Hancock, has been elected national committeeman to succeed Albert B. Irwin, Northwestern Mutual, who resigned to become national committeeman for the state association.

Chippewa Valley, Wis.—George D. Holgate, Penn Mutual, Eau Claire, has been elected president; Frederick C. Scott, Metropolitan, vice-president; Arnold Res-seld, Bankers Life of Des Moines, secretary; T. J. Litsheln, North American Life & Casualty, treasurer.

Manitowoc, Wis.—Joseph Wolff, Continental Assurance, has succeeded George

Schmitz, Mutual Benefit Life, as president. Stanley Grelson, Phoenix Mutual, is vice-president; Hugo Rose, secretary.

Sanford, N. C.—James M. Pleasants has been elected president; F. Y. Hanner, vice-president; Mack McFayden, secretary; J. T. Hall, state committeeman; Harry G. Gaw, national committeeman.

Longview, Wash.—Jay Miller was elected president of the Cowlitz county association. Floyd Hoggatt, Kelso, vice-president, and Donald Grant, secretary.

C. L. U.

Los Angeles Chapter Elects

LOS ANGELES.—The Los Angeles C.L.U. Chapter has elected new officers: President, M. I. Scott, Scott & Co.; vice-president, W. B. Furman, Prudential; secretary-treasurer, B. A. Bare, New England Mutual; directors, G. W.

Page, Scott & Co.; G. N. Quigley, Manufacturers of Canada.

President M. D. Cramer in his report mentioned that the question of incorporating the chapter is being held in abeyance until after the National chapter acts on a similar plan. The C.L.U. Institute had an enrollment of 43 and is combined with University of Southern California as a sectional feature with sectional instructors and has approval under the G. I. bill of rights. The chapter's membership now is 89.

President-elect Scott announced plans to increase prestige of the C.L.U. in Los Angeles.

Peoria Chapter Elects

The Peoria C.L.U. chapter has elected Morris Landwirth, Massachusetts Mutual, president; Sherman Whitmer, National Life of Vermont, Bloomington, vice-president and Frank Gordon, Union Central, secretary.

Pension Benefits for Veterans Analyzed

A comprehensive analysis of pension benefits to families of veterans of the first world war and the present war has been prepared by A. H. Dalzell, manager field training and service of John Hancock Mutual. Mr. Dalzell was partially disabled in the former war and he has been following the subject of pension benefits for considerable time. The material has been checked by authorities. Although changes in pension provisions are being considered in Washington, it does not appear probable that there will be any drastic change at least for the time being.

"In addition to the benefits that the veteran may have provided for his family through life insurance which the government makes available, a number of laws have been passed over the years which, under certain conditions, provide pension benefits to the families of veterans of both wars. These are in the nature of government gratuities and have no connection with either form of government life insurance," Mr. Dalzell points out.

"One very important consideration is the status of the veteran at the time of death. If he dies in the war and in the line of duty,—or dies subsequent to his discharge from a cause directly attributable to such service—we find not only a higher table of benefits, but fewer restrictions. Another type of case is where the veteran dies after his discharge and from a cause in no way service-connected—but who at the time of his death was carrying a service-connected disability rating. In such situations there are smaller benefits and other restrictions.

Public Law 483

"The most recent, and by far the most important, of these laws affecting the widows and orphans of war veterans is public law 483, approved Dec. 14, 1944. Under this law, and with only certain minor limitations, we find that the families of practically all of the veterans of World War I are entitled to certain benefits even though the cause of the World War I veteran's death had no connection with his military service, and even though at the time of death he carried no disability rating whatever.

"This same law also applies to the families of veterans of World War II, and under the same general conditions—but with the tremendously important additional qualification that at the time of the non-service-connected death of the veteran of World War II, he must have been carrying, or have been entitled to, a service-connected disability.

"Still a third table of benefits (not illustrated because, obviously, it is not of primary concern to insurance agents) is provided for the families of men who die during peacetime while members of the military services. The benefits un-

der this table lie between the other two tables previously mentioned."

The two tables of monthly benefits are:

TABLE A
SERVICE-CONNECTED DEATHS
(Public Law 144)

	Month
Widow but no child.....	\$50
Widow with one child.....	65
Each additional child.....	13
No widow but one child.....	25
No widow but two children.....	38
Each additional child.....	10
Dependent parent.....	45
Both parents.....	50
(As to the widow, child, or children, the total amount payable shall not exceed \$100.)	

TABLE B
NON-SERVICE-CONNECTED DEATHS
(Public Law 483)

	Month
Widow but no child.....	\$35
Widow with one child.....	45
Each additional child.....	5
No widow but one child.....	18
No widow but two children.....	27
No widow but three children.....	36
Each additional child.....	4
(The total pension payable may not exceed \$74.)	

Table A applies to the families of veterans of either World War I or World War II who die during wartime while on active duty. The same table also applies to the families of the veterans of either war if their death occurs after discharge—but from a cause directly attributable to their war service, and providing said death was not the result of their own willful misconduct. In the case of a death following discharge, said discharge must have been under conditions other than dishonorable.

"The important thing to remember," Mr. Dalzell points out, "is that Table A applies only to service-connected deaths, either before or after discharge. These benefits are payable regardless of the amount of other income which the widow or children may otherwise enjoy. In the case of parents, however, dependency on the veteran at the time of his death must be established. Claims by widows and children should be made on Veterans' Administration Form 534, and claims by dependent parents, on Form 535.

"It is also important to understand the VA's definition of the term 'widow' and 'child.' In the case of a World War I veteran, the term 'widow' means a woman who is married prior to Dec. 14, 1944—or 10 or more years—to the person who served. She must have lived continuously with him from the date of marriage to date of death, except where there was a separation which was due to the misconduct of, or procured by, the veteran, without the fault of the widow—and must not have remarried.

"In the case of a World War II veteran, the term 'widow' means a woman who shall have married the veteran prior to the expiration of 10 years subsequent to the termination of hostilities inci-



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dent to the present war, and who has not remarried. It does not include a widower.

"In all cases, pension payable to the widow continues until her death or remarriage, and where properly discontinued by reason of remarriage, it may not thereafter be recommended. Upon termination of widow's benefit, the child or children are entitled to receive the increased amounts provided in the tables under 'No widow, but children.'

"In the case of veterans of both World Wars I and II, the term 'child' means a person unmarried and under the age of 18 years (unless prior to reaching the age of 18 the child becomes or has become permanently incapable of self-support by reason of mental or physical defect) who is a legitimate child, a child legally adopted, or a stepchild if a member of the man's household. Under specific conditions, illegitimate children may also be provided for. The payment of pension or compensation may be continued after the age of 18 years, and until completion of education or training (but not after such child reached the age of 21 years), to any child who is pursuing a course of instruction at a school approved by the VA administrator.

Non-service-connected Deaths

"Table B deals with non-service-connected deaths (following discharge), of veterans of World War I, and under certain conditions, of veterans of World War II. Until the passage of Public Law 483, the death of a veteran of World War I provided no pension benefits for his family unless (1) his death was service-connected, (2) occurred while he carried a service-connected disability rating. In the case of a service-connected death, the veteran's family would come under the benefits of Table A. This new law now makes Table B available to the families of World War I veterans even though his death was not service-connected, and even though he carried no disability rating at the time of death. To be eligible, the veteran must have had an honorable discharge and 90 days or more of service, or if less than 90 days, must have been discharged for disability incurred in line of duty.

"Table B also applies to the families of World War II veterans who at the time of death were receiving, or were entitled to receive, pension, compensation, or retirement pay for disability incurred in service, or who served 90 days or more, and at the time of death had a service-connected disability. This disability might even be of less than 1% definitely ascertainable. It is this last point which causes some differentiation between veterans of World War I and World War II.

Limitations as to Other Income

"In the case of the non-service-connected deaths of veterans of either war, the benefits under Table B are not payable to a widow without child, or to a child whose annual income exceeds \$1,000, or total widow with child or children whose annual income exceeds \$2,500. Determination as to what is considered annual income is made by the VA in accordance with law and its regulations. Where payments to a widow are disallowed or discontinued because her income is in excess of \$2,500, payment to an eligible child or children of the veteran may be made as

13 Mass. Mutual Agency Heads in Chicago Parley

Thirteen general agents of Massachusetts Mutual Life were at the Edgewater Beach hotel, Chicago, this entire week for a round table session with three head office agency executives in the recruiting and training zones. This was the fifth such conference for general agency groups to be held this spring and summer. From Springfield there were Vice-president Chester O. Fischer, Assistant Agency Director Lambert Huppeler, and Agency Assistant John Veith.

though there is no widow. In determining annual income, any payments by the U. S. government because of disability or death under laws administered by the VA shall not be considered. In other words, pension benefits under either Table A or Table B would not be considered, and neither would the income from government life insurance, inasmuch as this is also administered by the VA. Also remember that this matter of income limitation does not apply where the death of the veteran is service-connected. Where the veteran's death is not service-connected, you will note that there is no provision for dependent parents. They are provided for only where the death is service-connected. (See Table A.)

Lump Sum Burial Benefit

"There is an additional benefit to which the families of all honorably discharged war veterans are entitled. An amount not exceeding \$100 may be allowed toward the funeral expenses of any war veteran. Claim for this allowance, made on VA Form 530, should be filed by the person, whose personal funds are used in paying the expenses incurred, within two years from the date of the veteran's burial.

"In addition to the sales opportunities our knowledge of these subjects may provide, we also have a great opportunity to render a public service by informing widows of World War I veterans (who have not remarried, with many of whom we are undoubtedly in contact), of their rights under the new Public Law 483. They will be glad to know of them.

Veteran Still a Prospect

"The complete knowledge of social security, National Service Life, and these pension benefits will put us in an excellent position to do a professional job of programming the affairs of a war veteran. He is still a prospect. As we learned with social security—the existence of a basic minimum benefit makes the average prospect more conscious of the need to round out his program with private insurance. It is also significant that social security, National Service Life, and government pensions for widows and orphans are all payable on a monthly income basis," Mr. Dalzell emphasizes.

Big Volume for Van Winkle

The Kellogg Van Winkle agency of Equitable Life Society in Los Angeles conducted a Van Winkle campaign in June in honor of Mr. Van Winkle, in which 115 agents wrote \$2,575,217 on 516 lives.

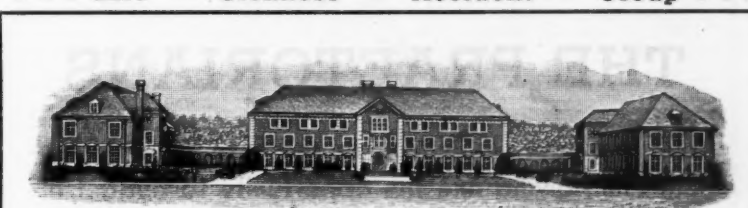


Ninety-eight candles this year *and one to grow on*—that's the important thing! For, since Union Mutual was founded in July, 1848, it has consistently stood for pioneering progress in the life insurance field.

The determination to continue to grow—in breadth of service as well as in the number of policies we write—continues to be our guiding principle as we enter our ninety-ninth year.

UNION MUTUAL
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PORTLAND MAINE HOME OFFICE
Rolland E. Irish, President
Harland L. Knight, Agency Vice-President

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SERVICE

Careful selection of agents; thorough training; close and sympathetic supervision; a compact agency organization in a restricted territory; strategically located branch offices; Home Office experts available for assistance in Business Insurance and Tax problems; a Home Office plant, expertly planned and equipped and removed from the noise and confusion of the city—all of these things make possible the splendid service that has become traditional to Pilot policyholders and agents.



PILOT LIFE
INSURANCE COMPANY
GREENSBORO, NORTH CAROLINA

O. F. Stafford, President



EDUCATIONAL DIRECTOR WANTED

Old, progressive, Southern Company is seeking a man capable of organizing training and educational department. Excellent opportunity for the right man.

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LEGAL RESERVE FRATERALS

Ekern Finds Life Insurance World's Greatest Business

Life insurance has the greatest future security in the world and today is the "biggest business in the world and the biggest corporate organization," H. L. Ekern, Chicago insurance counsel and former Wisconsin commissioner told the 20th annual National Mutual Benefit Life convention at Madison, Wis.

Speaking to over 200 delegates and officers Mr. Ekern said he disagrees with the Supreme Court decision that insurance is commerce and subject to federal legislation when it crosses state boundaries.

Raymond J. Dolwick, Northwestern Mutual Life, Milwaukee, who spoke on "Increasing Selling Power" warned that increasing competition from long-scarce commodities will tend to increase life insurance sales resistance.

Clifton Utley, Chicago news analyst, discussed "The United States and World Affairs" and Dr. Chester Kurtz, University of Wisconsin medical school spoke on "The Prevention of Rheumatic Heart Disease." Banquet speaker was E. D. Doudna, secretary of the Wisconsin Normal school regents.

All officers and directors of the company were re-elected.

Membership Liberalization Fails

At the triennial grand lodge convention of Scandinavian American Fraternity held in St. Paul, a proposed amendment to by-laws to make any persons of the Caucasian race who meet other requirements eligible to membership failed of passage. Elmer Anderson of Eau Claire, Wis., secretary, stated by-laws were broadened but still limit membership to Caucasians of Scandinavian birth or descent, either the husband or wife of such person, or related to a

member by blood, marriage or adoption. Elimination of the nationality restrictions has been an important issue considered at several conventions in recent years. The fraternal is 53 years old and Dec. 31, 1945, had \$4,958,918 total insurance in force. Officers were re-elected, Orvil Tramme of Duluth being president.

Unity's Drive Opens at Record Pace

SYRACUSE—Unity Life & Accident's annual July campaign opened with more than \$1 million in new life business on the desk of President E. R. Deming. This was more than double the amount ever received on the first day of previous July campaigns. Mr. Deming had as his luncheon guests a number of out-of-town managers and home office executives.

Rogers Idaho A.O.U.W. Manager

A.O.U.W. of North Dakota has appointed Manager Rogers of Billings, Mont., as Idaho manager. He has moved to Boise with his family.

Griffin Now Arkansas Manager

J. W. Griffin of El Dorado, Ark., has been appointed manager for that state by Modern Woodmen. He became an agent of the society there in 1935 and soon became a district manager. Mr. Griffin has been a consistent producer and in 1945 ranked 10th in the President's club with \$226,000 of new business. He ranks fourth in the club for the first five months this year on his new production.

Heeb Heads New District

John Heeb of the Bronx, New York, has been appointed head of the new agency district of Aid Assn. for Lutherans, comprising the New York City area

and the northern part of New Jersey. He became a full-time field representative of the society in 1941 and after three years in the army returned to the society from overseas last September.

Aid Assn. Far Ahead of 1945

June production of Aid Assn. for Lutherans was \$4,373,539 new business, the fourth consecutive month in which the society has produced at least \$4 million. For the half year production stands almost \$10 million over the first six months of 1945, the total being \$24,847,320. The June total was \$1½ million over June, 1945.

Plan Ben Hur Convention

Plans are being completed for the national convention of Ben Hur Life to be held in Evansville, Ind., beginning Oct. 15. The society's various courts at regular or special meetings which have been held since May have been making nominations of national representatives to represent them at the convention and the voting will be conducted in August.

Mrs. Anne B. McCracken, 73, who recently retired as vice-president of National Mutual Benefit, Madison, Wis., because of ill health after 23 years' service, died July 12 at a Racine hospital. Her home was in Union Grove, Wis. Mrs. McCracken was a former school teacher and prominent in women's organizations, fraternal and church work. Grand lodge officers of National Mutual Benefit and officers of the Wisconsin Fraternal Congress attended the services held Monday afternoon in St. Paul's Episcopal church at Madison.

Two veteran field men of A.O.U.W. of North Dakota died recently, J. H. Ashenfelter, Oregon manager, Portland, and G. H. Bishop, New Haven, Conn., past grand master workman of the Connecticut jurisdiction prior to its merger with that of North Dakota.

Mr. Ashenfelter was born in Salem, Ore., June 22, 1889, and early took an active interest in fraternalism. He joined A.O.U.W. in 1922, for several years was Idaho manager and in 1933 moved to Portland as Oregon manager.

Mr. Bishop was born in New Haven May 18, 1867. For 20 years before becoming an active fraternal worker he was a pharmacist in New Haven. He became a member of A.O.U.W. in 1891.

V. J. Pakes, assistant secretary of Woodmen of the World Life, Omaha, July 25 will complete 50 years as an employee of the society. He is its oldest employee at the head office in point of service.

Negro Insurance 4-Day Meet in N. Y.

(CONTINUED FROM PAGE 3)

drive the results far exceeded the 1945 campaign on all counts. Total new business, ordinary and industrial, was \$45,488,123 as against \$33,839,337 for the same period in 1945.

Superintendent Dineen brought greetings on behalf of the New York department at the opening session. Another speaker at this session was Lieut. Governor Hanley.

The association's midyear agency officers' conference will be held the last week in November at Columbus. Fire-side Mutual will be the host company.

Paid production of the A. R. Klein agency of Home Life at Chicago was up 102% for the first six months, the largest six month period in history. Four men finished among the company's top 50 leaders.

The agency moved Monday to larger quarters in the 1 North LaSalle Street building.

Julius Selling agency, State Mutual Life, New York.—June business set a new record, ranking the agency second among all State Mutual agencies, with an increase for the first half-year of 23½%.

Blotters from Dog Charm Clients

(CONTINUED FROM PAGE 3)

to be the first to congratulate me but he only muttered something about, 'so much popularity the collar doesn't fit now, and "we want Jerry," do we? I can't understand it.'

Dog Now Widely Known

Jerry wasn't wrong about his popularity, which has increased so that he is a well known character not only in his home territory but wherever in the United States Mr. Bickel's publicity circulates. Jerry was 14 years old this week. On the usual basis of figuring a year of a dog's life as equivalent to seven years in the human life span, Jerry is now as venerable as a man 98 years old. When old age finally overtakes Jerry, not only Mr. Bickel but many others are going to feel they have lost a pal.

The popularity of the "Jerry" blotters has been remarkable even considering that pictures of dogs are effective year in and year out. One year, soon after Mr. Bickel started having Jerry write the New Year's messages, he tried a New Year's blotter featuring a picture of the Rushmore Memorial, in which the features of Washington, Jefferson and Lincoln carved out of rock in the Black Hills of South Dakota. It was a good picture—Mr. Bickel took it himself—and the explanatory comments were interesting. But it didn't have the appeal of Jerry and Jerry has been on the job every year since.

Many Requests Received

Mr. Bickel, who is a C.L.U. and a member of the Million Dollar Round Table for the second year in succession, says it is amazing the amount of correspondence that results from the "Jerry" blotters. Several years ago Mr. Bickel offered a portrait of Jerry to anyone who wrote in and he had to make up about 100 8x10 inch enlargements.

Though the New Year greetings are on serviceable blotters, it appears that about 75% of the blotters are never used for blotting but are saved by the recipients as a series. During each year Mr. Bickel receives several requests for extra blotters to fill gaps in the series.

May Give 5% Continuously

One of the prominent Canadian companies is on the point of revising its agency compensation plan. One proposal that it is seriously considering is to reduce the commissions in the first two years and to provide continuous renewals of 5% for the life of the contract. This would be for the purpose of giving added income in the later years to the career agent who stays with the company.

The proposed contract calls for the payment of 55% graded first year commissions, a bonus for large volume (less lapsations in the second year of the preceding year's new volume) and an additional bonus on large policies of \$2,500 and over and continuous renewals beginning with the second year.

Claims Paid Since Organization \$50,893,078

SUPREME FOREST WOODMEN CIRCLE Omaha, Nebraska

THE PRAETORIANS

Adult and Juvenile Policies on the Easy Monthly Payment Plan, giving one the opportunity to budget his Life Insurance protection along with his other monthly bills.

LEGAL RESERVE FRATERNAL INSTITUTION

Organized in 1896

Forty-Five Years of Insurance and Fraternal Service
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Returning Veterans!

Selling legal reserve life insurance is pleasant and profitable employment.

You have an opportunity to develop lists of new prospects through meeting the present policy-holders in the territory assigned to you.

Excellent territory in Illinois, Michigan, Minnesota and Wisconsin. Write for information.

Equitable Reserve Association
Neenah, Wisconsin

Old Line Life Field Men in Conclave

(CONTINUED FROM PAGE 3)

Insurance in the Post-war Market." The government insurance program of the other war greatly boosted the life business. Whether or not the insurance program of the last war will prove equally beneficial, its magnitude inevitably will affect the business. It makes everyone conscious of life values and opens new avenues for solicitation by agents. Agents can push the sale of educational endowments based on what the government is offering under the G.I. bill of rights for college education.

Grant J. Nault took up "Social Security and Its Effects on Post-war Selling," urging that agents become completely familiar with social security provisions and proficient in its application toward families whom they serve, because it is interrelated with life insurance and basically important in almost every life insurance program.

"Social security benefits and also National Service Life Insurance have laid the ground work for actual interviews and made the individual monthly-income conscious," Mr. Nault said. "I believe that too much emphasis has been placed upon the retirement side of social security. Most people are not completely familiar with the benefits provided by social security, which should be explained to them and the advice given to augment such income to meet future needs more adequately by additional income from life insurance."

Buckman Takes Up Economics

"Economic Trends: Inflation or Deflation, and the Market for Business Insurance," were discussed by H. R. Buckman, Milwaukee general agent. He said large banks and banking firms are preparing for deflation instead of inflation by placing themselves in more liquid position with cash and government securities. Never has the American private banking system been as liquid and strong as now, he said. The mounting federal debt does not automatically mean inflation, he held, but balanced budget and decreasing federal debt still are good business. A huge national debt is definitely inflationary, provided there are no counterbalancing influences.

The American economy and monetary system are unique, he said. The price level is controlled in the end by the law of supply and demand, and this in turn is controlled by the unusual American engineering civilization. The purchasing power of our cash will be determined by our engineers.

"All this has a very direct bearing on the market for business insurance," he commented. "In view of what we anticipate we can advise our business clients not to follow the crowd, steer clear of securities, commodities and business commitments at these high levels, keep as many assets as possible in liquid form, wait for prices to go to bargain levels. There's stormy weather ahead for those who are not prepared."

"Life insurance is one of the best forms of preparedness there is. Point out to your business insurance clients the obvious advantages of some sort of business protection either from the stock purchase or the keyman indemnity point of view, or both."

Priebe on Programming

"Minimum Programming," was discussed by Arthur F. Priebe, associate general agent, Penn Mutual, Rockford, Ill. He said any agent who considers himself a professional has to do some programming, and if he programs thoroughly, soundly and effectively, he will solve his prospecting and sales problems.

H. R. Adams, manager accident and health department, presided at one session. E. H. O'Connor, managing director Insurance Economics Society, who was

to talk on "Security—Social or Anti-Social?" was unable to attend and Alfred K. Perego, Milwaukee manager Wisconsin National Life and president Accident & Health Underwriters of Milwaukee, substituted a talk on "The Women—Where They Fit in Our Prospect Files." This address he presented at the round table forum of the National association convention in Denver last month.

An accident and health clinic was held with E. E. Morrow, assistant manager accident and health department, as moderator. Solicitation and presentation of group-franchise accident, health and hospital insurance was discussed by Verne Leaper, Green Bay, Wis. G. W. Mullen, district superintendent, Toledo, spoke on the importance of developing leads that result in sales and advanced ideas in developing leads, making presentation and the close with organized or planned sales talks. A. P. Weinkoetz, district agent Madison, Wis., gave ideas on writing accident and health, stressing visual sales aids, such as his own personal policies, plans for various occupations, and selling accident as salary or income insurance.

Frank L. Laraia, district agent Maywood, Ill., spoke on soliciting, describing his cold canvass method. He writes most business on annual basis with premiums paid with application. Soliciting if continued with an honest effort to solve the people's problems will become a habit which will pay good dividends.

Chapman's Advice

Objectives and activities of the Life Insurance Agency Management Association were reviewed by L. W. S. Chapman, Hartford, director of service and company relations of L.I.A.M.A. He also spoke of opportunities for agents. "Sell to meet the inescapable costs; talk results, not policies. People are more likely to buy life insurance not so much as life insurance, but for the happy results insurance produces," he counseled.

At a dinner, members of the Star Leaders Club were honored and certificates presented to those who qualified. H. R. Buckman, retiring president, was in charge. N. Gust Hartberg, Marinette, Wis., general agent, was installed as president, and Mr. Buckman and Radcliff Denniston of the Buckman agency as vice-presidents. Club membership is based on service to policyholders and leadership in constructive business development, quality of business and premium volume. This year the largest number of agents qualified in the club's history.

An open house at the home office was followed by a day's outing at North Hills Country Club and an evening at Milwaukee's Centurama.

President Daggett Talks

A group breakfast was held Wednesday morning for conventioners and wives, with President Daggett as chairman. He paid respect to the memory of the late J. E. Reilly, one of the founders and president who died last October. Mr. Daggett reviewed development and growth of the company and discussed plans and business possibilities.

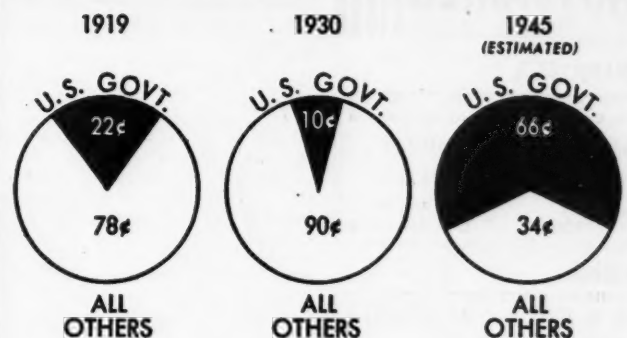
Newell C. Day, general agent at Davenport for Equitable of Iowa, gave his inspirational sales talk, "Color in Selling."

L.I.A.M.A. Class Names Officers

The 71 members of the 67th agency management school of L.I.A.M.A. took time out from their studies at Chicago to elect as class officers Willard L. Morsen, general agent of Northwestern Mutual, Boston, president; Howard D. Goldman, special agent of Northwestern Mutual, Richmond, vice-president; J. B. Woodward, vice-president and agency director of Southland Life, secretary, and Kenneth D. Moore, Great National manager, Lubbock, Tex., treasurer and sergeant-at-arms.

Benefit payments to living policyholders by life companies under endowments and annuities and for disability increased nearly one-third during the war years.

THE DEBT DOLLAR—WHO OWES IT



Source: U. S. Government, Fed. Reserve Bank of N. Y.

Prepared for Life Insurance Companies in America

Make Institutional Study of Dealings with Assured

The Institute of Life Insurance has appointed a committee on policyholder relations headed by Alexander Patterson, executive vice-president of Mutual Life, to study procedures used by companies in dealings with policyholders and the public and to make the findings available to each of the companies.

The first meeting of the committee, held last week, was devoted to organization and discussion of the scope of the program. Members in addition to the chairman are W. J. Adams, Canada Life; Berkeley Cox, Aetna Life; Wendell F. Hanselman, Union Central Life; F. W. Hubbell, Equitable Life of Iowa; Samuel Milligan, Metropolitan Life; George Avery White, State Mutual Life.

Arthur C. Daniels, executive assistant of the institute, has been assigned to serve as secretary.

Work already done along these lines by Canadian Life Officers Association will be studied.

"Company procedures are a matter of company policy and, therefore, are of special interest to, and the final responsibility of, top executive management of the companies," Mr. Patterson said. "And, in addition, this committee will seek the support and cooperation of each of the life insurance organizations and associations, because of their interest in policyholder relations."

Advisory Committee Meets

The Columbian National Life advisory committee of leading producers will meet at the Edgewater Beach hotel, Chicago, July 19.

GROWTH SITUATION

The territory of Shenandoah Life is strategically situated in one of the fastest growing sections of the country. This fact, plus fair contracts, group life insurance at company expense, liberal first year and vested renewals, friendly home office service, and a well rounded line of policies, make for the far-seeing representative the ideal opportunity.

Openings in Virginia, West Virginia, North Carolina, South Carolina, Tennessee and Alabama.

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 Associate
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 THE BOURSE PHILADELPHIA

Letters to Policyholders Vital

(CONTINUED FROM PAGE 11)

business by the tactlessness of your office help."

In this connection Mr. Morris points out that correspondents, in trying to get a policyholder to do something that is in his own interest frequently word their letters so that the suggestion seems offensively like a demand. The letter should sell the proposed course of action on the basis of the policyholder's interest, not the company's convenience. Instead of saying, for example, "We would like to reinstate your policy," it would be better to say, "Of course, you want to enjoy security free from financial worry and safeguard the future of your family. You can do this by reinstating your policy as soon as possible." "I" and "the company" should be subordinated and the "you" angle played up.

Letters that are over-long not only take extra time for correspondents and stenographers but are usually needlessly confusing to the policyholder. Here is a paragraph out of a typical letter:

"In case the policy has a provision for accidental death benefit or benefits in the event of total and permanent disability or for waiver of premium, in the event of permanent disability, such term insurance will be without provisions for such benefit or benefits."

STREAMLINED TEXT

Here is the streamlined version suggested by Mr. Morris:

"If your policy has accidental death or disability features, such provisions automatically terminate from the date your policy is continued as extended term insurance."

Here is another example of the original and revised versions. The first contains 43 words, the second 17 words, a saving of 60%:

Original: "We thank you for your communication advising us of your change in address as above and we are pleased to advise you that we have had proper notations of same made on the company's records of the above numbered policy on your life."

Revised: "Thank you for informing us of your new address, to which all future mail will be sent."

Antiquated Rubber Stamps

Mr. Morris has listed a number of antiquated and meaningless words and phrases that frequently appear in letters and which should be avoided. Among these are "advise" instead of "tell" or "inform;" "acknowledge," which is seldom necessary as it states the obvious; "document" which sounds too legal; "instrument" which has the same fault and also sounds like a doctor's tool; "in answer to your letter of....." (why else would you be writing?); and "in due course," "in view of the fact," "I see by your letter," "look into the matter," "owing to the fact," and a couple of dozen others.

One good effect of a streamlined correspondence program is that it helps alleviate the personnel shortage. The Morris organization meets this situation by preparing custom-made correspondence manuals which cut down dictating and typing time. These consist of personalized guide letters which are planned to cover the many recurring situations that make up a large portion of daily correspondence. They are shorter, smoother, friendlier, and therefore more effective than most individually dictated letters. They are not intended necessarily to be used as forms but as guides to letter writers, to be followed as closely as the individual situation permits.

Clinics Found Valuable

The companies which have used Mr. Morris's services find that one of the most valuable phases is the holding of departmental clinic meetings where copies of previously dictated letters are analyzed and discussed. This not only an-

swers specific questions but stimulates interest in the writing of good letters and in becoming familiar with the principles underlying such letters.

Appreciation of the need of writing letters that will have sales and goodwill value in writing to field representatives is an even more recent development than in connection with policyholder correspondence. Mr. Morris points out that if some one at the home office writes a tactless letter to a policyholder and he lapses or surrenders his policy the company loses one source of revenue. But the same poorly conceived letter to agent, causing him to become discouraged or quit his job may lose the company hundreds of contracts which could run into hundreds of thousands of dollars in premium income. Salesmen are daily confronted with disappointments which would cause many a less determined person to give up in despair therefore it is essential for them to have the full cooperation and friendly backing of all in the home office and this can be accomplished by writing them human, considerate letters that show an understanding and interest in their problems.

Must Often Show Letters

Another angle which Mr. Morris points out is that salesmen are often obliged to show the letters they receive from the home office to their policyholders and prospects. Therefore if the letters are curt, involved or evasive they can be as damaging as if written to these policyholders or prospects direct and can cause the agent a great deal of embarrassment in apologizing for the home office's short-sightedness.

In all correspondence promptness in replying is vital and the correspondent should make sure that he understands the letter he is answering, so that his reply will be complete and it will not be necessary for the recipient to engage in further correspondence that could have been avoided by giving the complete information in the first letter.

Trustee Campaigns for Moss, Pirnie

(CONTINUED FROM PAGE 7)

being sent to all members of the N.A.L.U. national council.

Chairman of the Moss committee is Ed. W. Baker, John Hancock Mutual, who is a former N.A.L.U. trustee. Mr. Baker states that for 15 years Mr. Moss has been doing association work and has been the key man in handling organization work for the association and all legislative matters that have arisen in the state.

Mr. Baker states that Mr. Moss is financially able to give the money and time required to perform as trustee.

In 1919 Mr. Moss, then 20, became personal producer for Massachusetts Mutual Life at Hopkinsville, Ky. He served the same company at Kansas City. In 1925 he and his brother James Moss were appointed Kentucky general agents for Connecticut Mutual Life and that is a successful operation.

Mr. Moss served three terms as president of the Kentucky state assn. and during his regime the membership more than doubled. For more than 15 years he has been a chairman or a member of the legislative committees of the Louisville, Kentucky state and General Agents & Managers associations.

On State Tax Committee

Last year he was appointed by the governor to serve on the tax revision commission. He is a trustee for the Louisville Baptist Orphan Home and trustee of Southern Baptist Theological Seminary.

The other members of the Moss committee are Morgan O. Woodward, Prudential, president Kentucky assn.; Joseph G. Weil, Mutual Benefit, Owens-

boro, national committeeman Kentucky state; Blain Lewis, Reliance Life, Ashland, national committeeman for Ashland; Homer D. Parker, Commonwealth Life, president Lexington assn.; Harry Lee Hamilton, Home Life, president Louisville assn.; Paul R. Snyder, Metropolitan, Newport, president Northern Kentucky assn.; G. C. George, Mutual Life, Bowling Green, president Southern Kentucky assn.; Cecil Draffen, Midland Mutual, national committeeman, Paducah, and S. H. Goebel, Prudential, Owensboro, president Green River assn. So far there are three candidates in the field for trustee, other than the present members of the board. In addition to Mr. Moss they are Lee Wandling, Equitable Society, Milwaukee, and C. E. Cleaton, Occidental Life, Los Angeles.

Alfred Duckett, Northwestern Mutual, Los Angeles, has announced that he is not a candidate for reelection.

Clifford H. Orr, National Life, Philadelphia, so far is the only candidate for secretary.

This week the committee working for the reelection of Roderick Pirnie of Providence as trustee, commenced sending out literature. Mr. Pirnie was elected a year ago for a one year term. He is general agent of Massachusetts Mutual Life and has been in the business 24 years. He has held a great many association offices including that of president of the Springfield, Mass., assn., vice-president Massachusetts assn., chairman National assn. committee on membership and cooperation with attorneys. He had an especially impressive record in war bond work.

George E. Awde is chairman of the Pirnie committee.

Would Cover Pilots, Reduce Rate

Farmers Life of Des Moines is making a direct appeal to licensed airplane pilots to take insurance with the company in order to establish an experience table and bring about reduction in rates.

L. M. Peet, president, said the company would like to get experience by covering some of the flyers so that the increased rate used by all of the companies now could be removed.

"I personally don't believe that flying has any more hazards than driving an automobile, but we cannot apply a rate without some actual arithmetic to support it," he said.

While the population of the United States has increased only 30% in the past 25 years, the number of persons owning life insurance has increased 90% and the total life insurance owned has increased nearly 300%.

Additional Data on Production Records

Home Life—Paid business for the first six months was the highest of any half-year in its history, and the gain in insurance in force also broke all previous January-June records.

The increase in insurance in force was 79% higher than in the first half of 1945, the best previous six-month period. Only in 1945 has the gain for an entire year been higher than in the first six months of 1946. Gain in insurance in force in June was 98% higher than last year.

Volunteer State Life—Reports an increase of 66% in paid business for the first 6 months over the same period of 1945.

Occidental, Cal.—A study of persistency shows the number of agents with perfect renewal persistency set an all-time record. For business written in 1944, 35 agents have 100% persistency, 99 have 90 to 99.99%, and 111 have above 75%. In 1944 agencies with \$1 million or more of business exposed in the period had the following persistency: Max Abrams, Cincinnati, 95.38; Security Insurance Agency, Ltd., Honolulu, 93.14; Hoyt M. Leisure agency, Los Angeles, 90.58. With less than \$1 million exposed other agencies' records were: Wayne Vickers, Eureka, Cal., 93.65; A. A. Sloan, Indianapolis, 92.97; Val Taylor, Guelph, Ont., 92.57.

The company, celebrating its 40th anniversary, has paid for \$15 to \$20 million of ordinary each month this year.

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Time Spent HERE



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Time Saved HERE

BUSINESS men and women are less than ever inclined to lose time in lengthy, confused discussions, even of their personal problems. Sound knowledge must be acquired therefore, before the salesman can develop brevity, clarity and confidence.

For 43 years The Travelers has conducted training schools in Hartford to help men develop a sound knowledge of insurance. In The Travelers schools, through personalized attention and instructions in tested selling funda-

mentals, thousands of men have learned how they can, through minutes spent in the classroom, save hours in the field for themselves and for their clients.

The Travelers training schools conduct classes for Life and Accident insurance and classes in Casualty and Surety insurance. Men interested in fitting themselves for profitable insurance selling would be wise to contact the nearest Travelers office for further information or address The Travelers Insurance Companies, Hartford, Connecticut.

(A SERIES OF ADVERTISEMENTS ILLUSTRATING HOW LIFE INSURANCE AGENTS SERVE THEIR COMMUNITY BY SELLING LIFE INSURANCE)



Moving Day vs. Stones in the Rock Garden

WHO MAKES the better citizen of your community? The renter, however prosperous, ready to roam in search of a new home every October first? Or the solid homeowner, the man who built his own home on his own piece of land, the man who set the stones in his own rock garden?

Generally speaking, the best citizen is the man with an investment in his community...the homeowner.

By helping those who want to buy and own their own homes, Equitable Society men are promoting community happiness and stability. They assure the homeowner that his wife will have a home in which

to live and raise his children properly if something should happen to him...that his children will always have a place to come back to.

Yes...selling life insurance is more than a way of making a living. It is a contribution to the community in which the agent lives. And this is a "bonus" over and above the prestige that comes to Equitable Society field men as members of an honorable profession and as representatives of an institution like The Equitable Society. That is why Equitable Society representatives can be proud that by making it possible for more men to own their own homes...they serve America.

*Hear actual case histories from the files
of the Federal Bureau of Investigation.*

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